

**AGENDA OF A REGULAR MEETING - NATIONAL CITY CITY COUNCIL/
COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY OF
THE CITY OF NATIONAL CITY**



**COUNCIL CHAMBERS
CIVIC CENTER
1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CALIFORNIA
TUESDAY, MAY 15, 2018 – 6:00 PM**

RON MORRISON
Mayor

ALBERT MENDIVIL
Vice Mayor

JERRY CANO
Councilmember

MONA RIOS
Councilmember

ALEJANDRA SOTELO-SOLIS
Councilmember

ORDER OF BUSINESS: Public sessions of all Regular Meetings of the City Council / Community Development Commission - Housing Authority (hereafter referred to as Elected Body) begin at 6:00 p.m. on the first and third Tuesday of each month. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Sessions begin at 5:00 p.m. or such other time as noted. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda. The Mayor and Council members also sit as the Chairperson and Members of the Board of the Community Development Commission (CDC).

REPORTS: All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review at the entry to the Council Chambers. Regular Meetings of the Elected Body are webcast and archived on the City's website www.nationalcityca.gov.

PUBLIC COMMENTS: Prior to the Business portion of the agenda, the Elected Body will receive public comments regarding any matters within the jurisdiction of the City and/or the Community Development Commission. Members of the public may also address any item on the agenda at the time the item is considered by the Elected Body. Persons who wish to address the Elected Body are requested to fill out a "Request to Speak" form available at the entrance to the City Council Chambers, and turn in the completed form to the City Clerk. The Mayor or Chairperson will separately call for testimony of those persons who have turned in a "Request to Speak" form. If you wish to speak, please step to the podium at the appropriate time and state your name and address (optional) for the record. The time limit established for public testimony is three minutes per speaker unless a different time limit is announced. Speakers are encouraged to be brief. The Mayor or Chairperson may limit the length of comments due to the number of persons wishing to speak or if comments become repetitious or irrelevant.

**1243 National City Blvd.
National City
619-336-4240**

**Meeting agendas and
minutes available on web**

WWW.NATIONALCITYCA.GOV

WRITTEN AGENDA: With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

CONSENT CALENDAR: Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of

the agenda and separately considered upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Spanish audio interpretation is provided during Elected Body Meetings. Audio headphones are available in the lobby at the beginning of the meeting.

Audio interpretación en español se proporciona durante sesiones del Consejo Municipal. Los audífonos están disponibles en el pasillo al principio de la junta.

Spanish to English interpretation services are available to members of the public who wish to speak to the City Council during the meeting. "Request to Speak" forms requesting interpretation must be filed within the first two hours of the meeting.

Español a los servicios de interpretación Inglés de audio está disponibles para los miembros del público que desean hablar con el Ayuntamiento durante del Consejo Municipal. "Solicitud para hablar de" formas solicitud de interpretación deben ser presentadas dentro de las dos primeras horas del Consejo Municipal.

COUNCIL REQUESTS THAT ALL CELL PHONES AND PAGERS BE TURNED OFF DURING CITY COUNCIL MEETINGS.

OPEN TO THE PUBLIC

A. CITY COUNCIL

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE TO THE FLAG

PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)

PROCLAMATIONS

AWARDS AND RECOGNITIONS

PRESENTATIONS

1. [City's Community Enhancement Grant Update by the National City Chamber of Commerce. \(Jacqueline Reynoso, President/CEO, National City Chamber of Commerce\)](#)
2. [Recap on Community Service Day event held on Saturday, April 28, 2018. \(Community Services\)](#)

INTERVIEWS / APPOINTMENTS

CONSENT CALENDAR

3. [Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances considered at this meeting and providing that such Ordinances shall be introduced and/or adopted after a reading of the title only. \(City Clerk\)](#)
4. [Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Audio Associates of San Diego in the amount of \\$154,006 and authorize a contingency in the amount of \\$20,994 to upgrade the Council Chambers Audio/Video System. \(Information Technology\)](#)
5. [Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Swagit Productions, LLC in the amount of \\$62,800 to implement the AVIOR High Definition Remote Broadcast System and provide monthly streaming and video production services. \(Information Technology\)](#)

6. Resolution of the City Council of the City of National City, 1) authorizing the filing of eleven (11) grant applications through the San Diego Associations of Governments (SANDAG) Active Transportation Grant Program (ATGP) and Smart Growth Incentive Program (SGIP); 2) accepting the terms of the grant agreements; 3) committing to providing the local match amounts identified for each project if grant awards are made by SANDAG; and 4) authorizing the City Manager or designee to execute the grant agreements if selected for funding. (Engineering/Public Works)
7. Resolution of the City Council of the City of National City: 1) accepting the work performed by A Good Sign and Graphics Co. for the Wayfinding Signage Project, CIP No. 16-13; 2) approving the final contract amount of \$335,086.54; 3) authorizing the release of retention in the amount of \$16,754.33; and 4) authorizing the Mayor to sign the Notice of Completion for the project. (Engineering/Public Works)
8. Resolution of the City Council of the City of National City, 1) supporting Proposition 69 which prevents new transportation funds from being diverted for non-transportation purposes, 2) opposing Attorney General #17-0033 November ballot proposition repealing SB1, which raises funds for transportation projects through the Road Repair and Accountability Act (RMRA) of 2017, and 3) supporting the Coalition to Protect Local Transportation Improvements, allowing the City of National City to be listed as a member agency. The City of National City is projected to receive \$1,016,456 in RMRA funds for local transportation projects in Fiscal Year 2019 through SB1. (Engineering/Public Works)
9. Resolution of the City Council of the City of National City authorizing the City (Buyer) to piggyback on the City of Poway's Urban Forestry Maintenance Services contract with West Coast Arborist, Inc. (WCA), and award the purchase of 1,700-tree purchase and planting services in an amount not to exceed \$297,500, consistent with Section 2.60.260 of the National City Municipal Code regarding cooperative purchasing. (Engineering/Public Works)
10. Resolution of the City Council of the City of National City authorizing the establishment of an Engineering Grants Fund appropriation of \$333,000 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the California Department of Transportation's (Caltrans) Sustainable Transportation Planning Grant Program for completion of the National City INTRA-Connect Plan (Integrating Neighborhoods with Transportation Routes for All). (Engineering/Public Works)
11. Resolution of the City Council of the City of National City authorizing the installation of red curb No Parking on the north side of the 200 block of E.

- 24th Street adjacent to the two driveways of parking lot "S" of National City Park Apartments in order to enhance safety and visibility for drivers exiting the apartment driveways (TSC No. 2018-04). (Engineering/Public Works)
12. Resolution of the City Council of the City of National City authorizing the conversion of 4-hour parallel parking to 30-minute parking located on the south side of the 100 block of W. 33rd Street in front of National/54 Self Storage to increase parking turnover for customers (TSC No. 2018-05). (Engineering/Public Works)
 13. Resolution of the City Council of the City of National City authorizing the installation of a blue curb disabled persons parking space with sign in front of the residence located at 254 E. 31st Street (TSC No. 2018-06). (Engineering/Public Works)
 14. Resolution of the City Council of the City of National City authorizing the installation of All-Way Stop Control at the intersection of E. 22nd Street and "A" Avenue in response to safety concerns by area residents. (TSC No. 2018-07). (Engineering/Public Works)
 15. Resolution of the City Council of the City of National City approving revisions to the City of National City Alcohol and Drug-Free Workplace Policy. (Human Resources)
 16. Resolution of the City Council of the City of National City deleting the City of National City Policy Concerning Sexual and Other Forms of Harassment and adopting Council Policy 604 Discrimination and Harassment. (Human Resources)
 17. Resolution of the City Council of the City of National City approving revisions to the City of National City Workplace Violence and Security Policy and adopting said policy as Council Policy 605. (Human Resources)
 18. Temporary Use Permit – Fun Zone Inflatables hosted by Fun Zone at Westfield Plaza Bonita Mall from May 17, 2018 thru September 3, 2018 with no waiver of fees. (Neighborhood Services)
 19. Warrant Register #40 for the period of 03/28/18 through 04/03/18 in the amount of \$1,397,013.91. (Finance)
 20. Warrant Register #41 for the period of 04/04/18 through 04/10/18 in the amount of \$2,065,780.09. (Finance)

PUBLIC HEARINGS: ORDINANCES AND RESOLUTIONS

NON CONSENT RESOLUTIONS

21. [Resolution of the City Council of the City of National City authorizing the purchase of real property located at 1430 Hoover Avenue, in order to provide interim secure storage for Police Department oversized vehicles and trailers, for a total sales price of \\$973,350 and the payment of closing costs not to exceed \\$10,000 and \\$100,000 for tenant improvements. \(Housing & Economic Development\)](#)

NEW BUSINESS

22. [Temporary Use Permit – Brews Campbell at Machete hosted by Machete Beer House on June 23, 2018 from 5:30 p.m. to 1:30 a.m. at Machete Beer House, 2325 Highland Avenue with no waiver of fees. \(Neighborhood Services\)](#)
23. [Initiation of local historic designation and listing of properties identified in the 2010 historic properties survey. \(Planning\)](#)
24. [Staff Report and Sample Policies on Ethics, Conduct and Decorum. \(City Manager\)](#)

B. COMMUNITY DEVELOPMENT COMMISSION - HOUSING AUTHORITY

CONSENT RESOLUTIONS - HOUSING AUTHORITY

PUBLIC HEARINGS: RESOLUTIONS - HOUSING AUTHORITY

NON CONSENT RESOLUTIONS - HOUSING AUTHORITY

NEW BUSINESS - HOUSING AUTHORITY

C. REPORTS

STAFF REPORTS

MAYOR AND CITY COUNCIL

CLOSED SESSION REPORT

ADJOURNMENT

Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City - Tuesday - June 19, 2018 - 6:00 p.m. - Council Chambers - National City, California.

Budget Schedule - FY 2019:

Tuesday, May 29, 2018, 5:00 p.m. - Budget Workshop

Tuesday, June 19, 2018, 6:00 p.m. - Budget Hearing / Adoption

City Council Legislative Recess

August 7, 2018 - City Council Meeting - Dispensed With
August 21, 2018 - City Council Meeting - Dispensed With

No June 5, 2018 City Council Meeting
due to the Special Municipal Election

The following page(s) contain the backup material for Agenda Item: City's Community Enhancement Grant Update by the National City Chamber of Commerce. (Jacqueline Reynoso, President/CEO, National City Chamber of Commerce)

Item # ____
05/15/18

**CITY'S COMMUNITY ENHANCEMENT GRANT UPDATE
BY THE NATIONAL CITY CHAMBER OF COMMERCE**

**Jacqueline Reynoso
President/CEO
National City Chamber of Commerce**

The following page(s) contain the backup material for Agenda Item: Recap on
Community Service Day event held on Saturday, April 28, 2018. (Community Services)

Item # ____

5/15/18

**Recap on Community Service Day event held on Saturday, April 28,
2018. (Community Services)**

The following page(s) contain the backup material for Agenda Item: Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances considered at this meeting and providing that such Ordinances shall be introduced and/or adopted after a reading of the title only. (City Clerk)

Item # ____
05/15/18

**MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL
CITY APPROVING THE WAIVING OF THE READING OF THE
TEXT OF THE ORDINANCES CONSIDERED AT THIS MEETING
AND PROVIDING THAT SUCH ORDINANCES SHALL BE
INTRODUCED AND/OR ADOPTED AFTER A READING
OF THE TITLE ONLY.**

(City Clerk)

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Audio Associates of San Diego in the amount of \$154,006 and authorize a contingency in the amount of \$20,994 to upgrade the Council Chambers Au

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO. _____

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Audio Associates of San Diego in the amount of \$154,006 and authorize a contingency in the amount of \$20,994 to upgrade the Council Chambers Audio/Video System.

PREPARED BY: Ron Williams

DEPARTMENT: CMO

PHONE: 619-336-4373

APPROVED BY: 

EXPLANATION:

The Council Chambers Audio/Video (A/V) system was originally installed in 2008. A/V equipment is currently at End Of Life (EOL) and is increasingly difficult to support and source replacement parts. The City issued a Request for Proposal (RFP) in September 2017 to upgrade the A/V system. Audio Associates of San Diego submitted the lowest responsible bid proposal. The proposal entailed replacement of all audio/video equipment (microphones, camera, monitors, graphics processors, amplifiers, etc.) in the council chambers, the installation of two additional cameras, speakers, presentation accessories, and annual support. The video streaming and remote video production services (remote camera switching control, video processing) are subsequent and integral to the audio/video system upgrade. These critical services are being proposed to be administered by a third-party vendor to provide an enhanced integrated A/V solution. The proposed schedule for completion of council chambers A/V system upgrade is August 31, 2018.

FINANCIAL STATEMENT:

APPROVED:  Finance

ACCOUNT NO.

APPROVED:  MIS

Funds are appropriated in account 629-403-082-502-0000

ENVIRONMENTAL REVIEW:

This is not a project, therefore does not require environmental review

ORDINANCE: ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Staff recommends authorizing the Mayor to execute an agreement with Audio Associates of San Diego including a 15% contingency to upgrade the council chambers A/V system.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Contract

**AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
AUDIO ASSOCIATES OF SAN DIEGO**

15th PS

THIS AGREEMENT is entered into on this ~~1st~~ day of May, 2018, by and between the CITY OF NATIONAL CITY, a municipal corporation (the "CITY"), and AUDIO ASSOCIATES OF SAN DIEGO, a California corporation (the "CONTRACTOR").

RECITALS

WHEREAS, the CITY desires to employ a CONTRACTOR to provide audio video system upgrade.

WHEREAS, the CITY has determined that the CONTRACTOR is a commercial audio and video implementation specialist and is qualified by experience and ability to perform the services desired by the CITY, and the CONTRACTOR is willing to perform such services.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONTRACTOR.** The CITY agrees to engage the CONTRACTOR to upgrade the audio and video equipment in the council chambers, provide ongoing maintenance and support, and the CONTRACTOR agrees to perform the services set forth here in accordance with all terms and conditions contained herein.

The CONTRACTOR represents that all services shall be performed directly by the CONTRACTOR or under direct supervision of the CONTRACTOR.

PS 15X 2. **EFFECTIVE DATE AND LENGTH OF AGREEMENT.** This Agreement will become effective on May 1, 2018. The duration of this Agreement is for the period of May 1, 2018 through May 1, 2021. Completion dates or time durations for specific portions of the project are set forth in Exhibit "A". This Agreement may be extended by mutual agreement upon the same terms and conditions for an additional one (1) year term. The Parties may exercise up to three one-year extensions. Any extension of this Agreement must be approved in writing by the City Manager.

3. **SCOPE OF SERVICES.** The CONTRACTOR will perform audio video system upgrade and support services utilizing itemized equipment list as set forth in the attached Exhibit "A".

The CONTRACTOR shall be responsible for all research and reviews related to the work and shall not rely on personnel of the CITY for such services, except as authorized in advance by the CITY. The CONTRACTOR shall appear at meetings specified in Exhibit "A" to keep staff and City Council advised of the progress on the project.

The CITY may unilaterally, or upon request from the CONTRACTOR, from time to time reduce or increase the Scope of Services to be performed by the CONTRACTOR under

this Agreement. Upon doing so, the CITY and the CONTRACTOR agree to meet in good faith and confer for the purpose of negotiating a corresponding reduction or increase in the compensation associated with said change in services.

4. **PROJECT COORDINATION AND SUPERVISION.** Ron Williams hereby is designated as the Project Coordinator for the CITY and will monitor the progress and execution of this Agreement. The CONTRACTOR shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this Agreement for the CONTRACTOR. Chuck Bowers thereby is designated as the Project Director for the CONTRACTOR.

5. **COMPENSATION AND PAYMENT.** The compensation for the CONTRACTOR shall be based on monthly billings covering actual work performed. Billings shall include labor classifications, respective rates, hours worked and also materials, if any. The total cost for all work described in Exhibit "A" shall not exceed \$175,000. Monthly invoices will be processed for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Exhibit "A", as determined by the CITY.

The CONTRACTOR shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred, and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the CITY, and for furnishing of copies to the CITY, if requested.

6. **ACCEPTABILITY OF WORK.** The CITY shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement, and the amount of compensation due. In the event the CONTRACTOR and the CITY cannot agree to the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONTRACTOR in this Agreement, the CITY or the CONTRACTOR shall give to the other written notice. Within ten (10) business days, the CONTRACTOR and the CITY shall each prepare a report which supports their position and file the same with the other party. The CITY shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONTRACTOR.

7. **DISPOSITION AND OWNERSHIP OF DOCUMENTS.** The Memoranda, Reports, Maps, Drawings, Plans, Specifications, and other documents prepared by the CONTRACTOR for this project, whether paper or electronic, shall become the property of the CITY for use with respect to this project, and shall be turned over to the CITY upon completion of the project, or any phase thereof, as contemplated by this Agreement.

Contemporaneously with the transfer of documents, the CONTRACTOR hereby assigns to the CITY, and CONTRACTOR thereby expressly waives and disclaims any copyright in, and the right to reproduce, all written material, drawings, plans, specifications, or other work prepared under this Agreement, except upon the CITY'S prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONTRACTOR shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

The CONTRACTOR agrees that the CITY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium, or method utilize the CONTRACTOR'S written work product for the CITY'S purposes, and the CONTRACTOR expressly waives and disclaims any residual rights granted to it by Civil Code Sections 980 through 989 relating to intellectual property and artistic works.

Any modification or reuse by the CITY of documents, drawings, or specifications prepared by the CONTRACTOR shall relieve the CONTRACTOR from liability under Section 14, but only with respect to the effect of the modification or reuse by the CITY, or for any liability to the CITY should the documents be used by the CITY for some project other than what was expressly agreed upon within the Scope of Services of this project, unless otherwise mutually agreed.

8. **INDEPENDENT CONTRACTOR.** Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers with one another. Neither the CONTRACTOR nor the CONTRACTOR'S employees are employees of the CITY, and are not entitled to any of the rights, benefits, or privileges of the CITY'S employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONTRACTOR and the CONTRACTOR'S employees, and it is recognized by the parties that a substantial inducement to the CITY for entering into this Agreement was, and is, the professional reputation and competence of the CONTRACTOR and its employees. Neither this Agreement nor any interest herein may be assigned by the CONTRACTOR without the prior written consent of the CITY. Nothing herein contained is intended to prevent the CONTRACTOR from employing or hiring as many employees, or SUBCONTRACTORS, as the CONTRACTOR may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONTRACTOR with its SUBCONTRACTOR(S) shall require the SUBCONTRACTOR(S) to adhere to the applicable terms of this Agreement.

9. **CONTROL.** Neither the CITY nor its officers, agents, or employees shall have any control over the conduct of the CONTRACTOR or any of the CONTRACTOR'S employees, except as herein set forth, and the CONTRACTOR or the CONTRACTOR'S agents, servants, or employees are not in any manner agents, servants, or employees of the CITY, it being understood that the CONTRACTOR its agents, servants, and employees are as to the CITY wholly independent CONTRACTOR, and that the CONTRACTOR'S obligations to the CITY are solely such as are prescribed by this Agreement.

10. **COMPLIANCE WITH APPLICABLE LAW.** The CONTRACTOR, in the performance of the services to be provided herein, shall comply with all applicable state and federal statutes and regulations, and all applicable ordinances, rules, and regulations of the City of National City, whether now in force or subsequently enacted. The CONTRACTOR and each of its SUBCONTRACTOR(S), shall obtain and maintain a current City of National City business license prior to and during performance of any work pursuant to this Agreement.

11. **LICENSES, PERMITS, ETC.** The CONTRACTOR represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONTRACTOR represents and covenants that the

CONTRACTOR shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONTRACTOR to practice its profession.

12. **STANDARD OF CARE.**

A. The CONTRACTOR, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONTRACTOR'S trade or profession currently practicing under similar conditions and in similar locations. The CONTRACTOR shall take all special precautions necessary to protect the CONTRACTOR'S employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this Agreement, the CONTRACTOR warrants to the CITY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONTRACTOR'S professional performance or the furnishing of materials or services relating thereto.

C. The CONTRACTOR is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONTRACTOR has been retained to perform, within the time requirements of the CITY, or, when no time is specified, then within a commercially reasonable time. Accordingly, unless the CONTRACTOR has notified the CITY otherwise, the CONTRACTOR warrants that all products, materials, processes or treatments identified in the project documents prepared for the CITY are reasonably commercially available. Any failure by the CONTRACTOR to use due diligence under this sub-section will render the CONTRACTOR liable to the CITY for any increased costs that result from the CITY'S later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

13. **NON-DISCRIMINATION PROVISIONS.** The CONTRACTOR shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONTRACTOR will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

14. **CONFIDENTIAL INFORMATION.** The CITY may from time to time communicate to the CONTRACTOR certain confidential information to enable the CONTRACTOR to effectively perform the services to be provided herein. The CONTRACTOR shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the CITY. The CONTRACTOR shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 14, however, shall not

apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONTRACTOR, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONTRACTOR without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONTRACTOR by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONTRACTOR shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the CITY. In its performance hereunder, the CONTRACTOR shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

CONTRACTOR shall be liable to CITY for any damages caused by breach of this condition, pursuant to the provisions of Section 15.

15. **INDEMNIFICATION AND HOLD HARMLESS.** The CONTRACTOR agrees to defend, indemnify and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONTRACTOR'S performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the CITY, its agents, officers, employees or volunteers. CITY will cooperate reasonably in the defense of any action, and CONTRACTOR shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

16. **WORKERS' COMPENSATION.** The CONTRACTOR shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the CITY and its officers, employees, and volunteers from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the CITY or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the CONTRACTOR under this Agreement.

17. **INSURANCE.** The CONTRACTOR, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONTRACTOR(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following insurance policies:

A. ☐ If checked, **Professional Liability** Insurance (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000

combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONTRACTOR'S employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the CITY. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONTRACTOR has no employees subject to the California Workers' Compensation and Labor laws, CONTRACTOR shall execute a Declaration to that effect. Said Declaration shall be provided to CONTRACTOR by CITY.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY's Risk Manager, at the address listed in subsection G below, of cancellation or material change.

F. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONTRACTOR shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

G. The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA 91950-4397

H. Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII according to the current Best's Key Rating Guide, or a company of equal financial stability that is approved by the CITY'S Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by

the CITY'S Risk Manager. If the CONTRACTOR does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY.

K. If the CONTRACTOR maintains broader coverage or higher limits (or both) than the minimum limits shown above, the CITY requires and shall be entitled to the broader coverage or higher limits (or both) maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

18. **LEGAL FEES.** If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney's fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney's fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney's fees incurred by the prevailing party.

19. **TERMINATION.**

A. This Agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 60-day's written notice to the CONTRACTOR. During said 60-day period the CONTRACTOR shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this Agreement, misrepresentation by the CONTRACTOR in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the CITY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONTRACTOR as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONTRACTOR, whether paper or electronic, shall immediately become the property of and be delivered to the CITY, and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the CITY by the CONTRACTOR'S breach, if any. Thereafter, ownership of said written material shall vest in the CITY all rights set forth in Section 7.

E. The CITY further reserves the right to immediately terminate this Agreement upon: (i) the filing of a petition in bankruptcy affecting the CONTRACTOR; (2) a

reorganization of the CONTRACTOR for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONTRACTOR.

20. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To CITY: Ron Williams
 IT Manager
 Information Technology
 City of National City
 1243 National City Boulevard
 National City, CA 91950-4397

To CONTRACTOR:
 Chuck Bowers
 Field Engineer
 Audio Associates of San Diego
 1497 Jayken Way
 Chula Vista, CA 91911

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

21. **CONFLICT OF INTEREST AND POLITICAL REFORM ACT OBLIGATIONS.** During the term of this Agreement, the CONTRACTOR shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of National City. The CONTRACTOR also agrees not to specify any product, treatment, process or material for the project in which the CONTRACTOR has a material financial interest, either direct or indirect, without first notifying the CITY of that fact. The CONTRACTOR shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The CONTRACTOR shall immediately disqualify itself and shall not use its

official position to influence in any way any matter coming before the CITY in which the CONTRACTOR has a financial interest as defined in Government Code Section 87103. The CONTRACTOR represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

☐ If checked, the CONTRACTOR shall comply with all of the reporting requirements of the Political Reform Act and the National City Conflict of Interest Code. Specifically, the CONTRACTOR shall file a Statement of Economic Interests with the City Clerk of the City of National City in a timely manner on forms which the CONTRACTOR shall obtain from the City Clerk.

The CONTRACTOR shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Section 21 by the CONTRACTOR.

22. **PREVAILING WAGES.** State prevailing wage rates may apply to work performed under this Agreement. State prevailing wages rates apply to all public works contracts as set forth in California Labor Code, including but not limited to, Sections 1720, 1720.2, 1720.3, 1720.4, and 1771. Contractor is solely responsible to determine if State prevailing wage rates apply and, if applicable, pay such rates in accordance with all laws, ordinances, rules, and regulations.

23. **MISCELLANEOUS PROVISIONS.**

A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

I. *Audit.* If this Agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the Agreement, per Government Code Section 8546.7.

J. *Entire Agreement.* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

K. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

L. *Subcontractors or Subcontractors.* The CITY is engaging the services of the CONTRACTOR identified in this Agreement. The CONTRACTOR shall not subcontract any portion of the work, unless such subcontracting was part of the original proposal or is allowed by the CITY in writing. In the event any portion of the work under this Agreement is subcontracted, the subcontractor(s) shall be required to comply with and agree to, for the benefit of and in favor of the CITY, both the insurance provisions in Section 17 and the indemnification and hold harmless provision of Section 15 of this Agreement.

M. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

[Signature Page to Follow]

CITY OF NATIONAL CITY

AUDIO ASSOCIATES OF SAN DIEGO
(Signatures of two corporate officers required)

By: _____
Ron Morrison, Mayor

By:  _____
(Name)

PETE SPENCER
(Print)

APPROVED AS TO FORM:

PRESIDENT
(Title)

By: _____
Angil P. Morris-Jones
City Attorney

 _____
(Name)

PETE SPENCER
(Print)

V-P
(Title)

Exhibit A



audioassociates

 1497 Jayken Way • Chula Vista • CA 91911 • Office 619-461-9445 • Fax 619-461-9469
 Serving Southern California • DVBE & SBE Certification # 0001477 • C-7 Lic # 728789

Quotation

 To: City Of National City
 Attn: Ron Williams

 Date
 11/29/2017

 Quotation#
 3098

 Revision#
 2

 Phone: 619-336-4373
 Fax: 619-336-4349
 Email: rwilliams@nationalcityca.gov
 Re:

 Date of Request:
 10/12/2017

 Quote By:
 CJB

 Sale By:
 CJB

Terms:

Client PO#

JOB#

QUAN	MFR	MODEL	DESCRIPTION	UNIT	EXTENDED
Audio System					
1	Biamp	Forte VT	12x8 Audio DSP w/VoIP & POTS	2,378.81	2,378.81
1	Biamp	Forte CI AVB	12x8 Audio DSP	2,200.31	2,200.31
1	Motu	AVB Switch	5 Port AVB Switch	470.05	470.05
1	Crown	DCI 4/300	4 Channel Audio Amplifier	1,307.81	1,307.81
1	Listen	LS-58-072	Assistive Listening System	1,774.41	1,774.41
8	Listen	LR-4200-072	Additional ALS Receiver	126.85	1,014.83
8	Listen	LA-401	Ear Speaker for Add Receivers	13.15	105.20
6	Atlas	SM42TWH	Wall Mount Speaker	56.79	340.72
6	Atlas	FAP43T	Ceiling Speaker	77.03	462.17
2	RDL	DB-SH1M	Translation Headphone Amp	143.30	286.60
1	RDL	PS-24AS	24V Power Supply	22.55	22.55
10	Sennheiser	507354	Gooseneck Mic w/Light Ring & Desktop	427.21	4,272.10
2	Shure	QLXD-124	Handheld Wireless Microphone	950.81	1,901.62
2	Shure	QLXD-14/85	Lavaliere Wireless Microphone	1,024.59	2,049.18
1	Biamp	EX-Logic	Tesira Logic Expander	373.66	373.66
1	Biamp	RMK-1	Expander Rackmount	41.65	41.65
1	AA	Cable	Cable Allowance	416.50	416.50
Video System					
1	Crestron	DM-MD8XB	8x8 DigitalMedia™ Switcher w/TX&RX's	13,923.00	13,923.00
2	Decimator	MD-HX	SDI/HDMI Cross Converter	351.05	702.10
5	Samsung	UN75MU8300	75" display	2,261.00	11,305.00
5	Chief	LCM1U	Wall Mounts	251.92	1,259.62
1	Crestron	AM-101	Wireless Presentation Gateway	952.00	952.00
1	Crestron	MPC-M5	Media Presentation Controller	386.75	386.75
1	AA	Cable	Cable Allowance	595.00	595.00
1	Denon	DN-S03BD	Rackmount Blu-Ray/DVD/CD Player	333.20	333.20
Timer Display Overlay					
1	TVOne	1T-C2-750	Dual DVI Scaler w/PIP&Key	1,283.55	1,283.55
1	Crestron	DMC-4K-HD	HDMI Input Card	516.00	516.00

Vote Control System					
1	Intent Digital	XLG-IMTV-4	VoteLynx XLG MultiFunction Vote	19,896.80	19,896.80
2	Intent Digital	TDM-IMTV-4	Timer/Mic Panel	1,109.08	2,218.16
1	Intent Digital	ETP-W101	10" mayort RTS/Timer Touchpanel	2,380.00	2,380.00
1	Intent Digital	Eng Spt	Engineering Support	11,900.00	11,900.00
Nameplate Displays					
9	Intent digital	VL-DSC1	VoteLynx Name Display Controller	464.40	4,179.60
10	Lightmax	SSD-1916	19x6" LED Display	967.50	9,675.00
8	Chief	VESA	Mount	96.75	870.75
1	Linksys	LGS326P	Network Switch 24port PoE+	509.55	509.55
Misc. Supplies, Custom Fabrication and Rentals					
1	Various	As needed	Connectors, panels, hardware, supplies, etc.	3,570.00	3,570.00
	AA	Custom	Fabrication		
	AA	Rigging	Special rigging supplies		
	Rental	Lot	Scissor lift, special tools		
Non-taxable Labor, Engineering, Construction, etc.					
460	Hours	Labor	Installation and fabrication	55.00	25,300.00
66	Hours	PM/PE/ADM	Project Management/Project Engineer/ADMIN	85.00	7,310.00
32	Hours	CAD	System drawings	55.00	1,760.00
	Hours	Programming	Control	145.00	
24	Hours	Testing	System pre-test(s) and final commissioning	85.00	2,040.00
2	Block	Training	4-hour block of operational training	350.00	700.00
Estimate authorized by:				TOTAL TAXABLE AMOUNT > > > \$105,874.25	
Name: _____				TOTAL NON-TAXABLE > > > \$37,110.00	
Title: _____				TAX @ 8.75% > > > \$2,264.30	
Date: _____				SHIPPING VIA GROUND > > > \$1,757.21	
Signature: _____				TOTAL COST > > > \$154,005.45	
Notes:					
1:					
2:					
3:					
Options:					
A:					
B:					
C:					
CONFIDENTIALITY NOTICE					
This document may contain trade secrets and/or confidential and legally privileged information for the intended use of the material set forth herein. Disclosure, copying, reproduction or use of any information contained in this document, by persons other than the intended recipient, is strictly prohibited. If you have received this document in error, please call Audio Associates and then mail the document(s) to us. Thank you.					

J-QP7 28 14

EXHIBIT A



Maintenance and Support Agreement

Contract Date: TBD

Scope of Work:

Audio Associates of San Diego (Contractor) shall provide the following maintenance services for the Council Chambers Audio Video System:

- 1. Non-critical maintenance services: Four quarterly preventative maintenance inspections of all equipment (for both the original equipment and the upgrade provided by Contractor) will be completed and necessary minor adjustments to the system including programming will be made, with exception of AGENCY requests for new control functions. The maintenance inspection of the equipment shall include testing of the following:**
 - a. Microphone/line inputs**
 - b. Room combination features**
 - c. Volume control**
 - d. Remote control functions**
 - e. Equalization settings**
- 2. Equipment costs: AGENCY shall incur no cost for parts that entail minor adjustments or minor repairs such as broken cables, connectors, receptacles, etc. Repair to all equipment shall be on a no cost basis unless devices are no longer manufactured or are beyond repair, in which instance Contractor shall recommend replacement equipment and provide material at a cost of fifteen (15%) below retail price. The adjustments will include volume and equalizing as needed.**
- 3. Consultations: Contractor shall provide consultations regarding upgrades, replacement of equipment, etc. as the need arises.**
- 4. Critical maintenance services. Contractor will have appropriate personnel and equipment available at all times to respond to requests by AGENCY by phone or remote access for critical maintenance or repair services. Critical maintenance occurs when the system is non-operational. Within eight hours (8) of AGENCY's request, Contractor shall provide critical maintenance or repairs to the council chambers audio video system. All critical maintenance services shall be completed to the satisfaction of AGENCY. In the**

EXHIBIT A

event AGENCY, does not approve of a critical maintenance action performed by Contractor, Contractor shall solely bear the cost of remedial action that may be required to remedy the deficiency or deficiencies identified by AGENCY. Contractor shall keep AGENCY informed regarding the status and estimated time of completion of all critical maintenance services. In the event that AGENCY requests critical maintenance services that are unfounded will be charged at our Critical Maintenance Rates.

Support and Maintenance – Audio Associates of San Diego

Audio Associates Proposal includes a 5-year warranty on all products where no physical damage has occurred (i.e. Broken cords, etc.). AA can provide maintenance and repair agreement starting after 2 years.

AUDIO ASSOCIATES RATES			
Quarterly Inspection	\$1,600/year		
Critical Maintenance	\$150/hour	\$225/hr/after hours	\$300/hr/weekend

Support and Maintenance – Digital Networks

Votelynx Platinum Support Agreement		
Annual Support	\$3,000/year	Renewable, email support, phone/remote support & software upgrades



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/4/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Cavignac & Associates 450 B Street, Suite 1800 San Diego CA 92101	CONTACT NAME: Certificate Department PHONE (A/C, No, Ext): 619-744-0574 E-MAIL Address: certificates@cavignac.com FAX (A/C, No): 619-234-8601	
	INSURER(S) AFFORDING COVERAGE	
INSURED Audio Associates of San Diego dba Audio Associates 1497 Jayken Way Chula Vista CA 91911	INSURER A: Hanover Insurance Company	NAIC # 222292
	INSURER B: Allmerica Financial Benefit Insurance Co.	10212
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:** 774756087**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		ZH3D541289	4/1/2018	4/1/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 600,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Deductible \$ 0
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	Y		AW3D541628	4/1/2018	4/1/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			UH3D541292	4/1/2018	4/1/2019	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	Y	W23D541289	4/1/2018	4/1/2019	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: City Council Chambers. Additional Insured coverage applies to General Liability and Automobile Liability for The City of National City, its elected officials, officers, agents, and employees per policy form. Waiver of subrogation applies to Workers Compensation per policy form. Excess/Umbrella policy follows form over underlying policies: General Liability, Auto Liability & Employers Liability (additional insured and waiver of subrogation apply).

CERTIFICATE HOLDER**CANCELLATION**

City of National City
c/o Risk Manager
1243 National City Blvd
National City CA 91950-4301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2014 ACORD CORPORATION. All rights reserved.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BUSINESS AUTO COVERAGE
BROADENING ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

1. CANCELLATION EXTENSION

Paragraph **A. CANCELLATION** 2. b. of the **COMMON POLICY CONDITIONS** is replaced with the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

- d. Any business entity for which you have a financial interest greater than 50% of the voting stock or otherwise have a controlling interest after the effective date of this policy or that is newly acquired or formed by you during the term of this policy.

SECTION I - COVERED AUTOS

2. EMPLOYEE HIRED "AUTOS"

Description Of Covered Auto Designation Symbols; Symbol 8 is replaced by the following:

8 = Hired "Autos" Only - Only those "autos" you lease, hire, rent or borrow; including "autos" your employee hires at your direction, for the purpose of conducting your business. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners or members of their households.

The coverage provided by this provision is afforded until expiration or termination of this policy, whichever occurs earlier.

The coverage provided by this provision does not apply to any business entity described in d. above that qualifies as an insured under any other automobile liability policy issued to that business entity as a named insured or would have been an insured except for the exhaustion of the policy limits or the insolvency of the insurer.

SECTION II - LIABILITY COVERAGE

3. BROADENED NAMED INSURED

The following is added to the **SECTION II - LIABILITY COVERAGE**, Paragraph 1. **Who Is An Insured** provision:

The coverage provided by this provision does not apply to "bodily injury" nor "property damage" arising from an accident that occurred prior to your acquiring or forming the business entity described in d. above.

4. EMPLOYEES AS INSURED

The following is added to the **SECTION II - LIABILITY COVERAGE**, Paragraph 1. **Who Is An Insured** provision:

- e. Any employee of yours is an "insured" while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

5. SUPPLEMENTARY PAYMENTS

The following amends **SECTION II - LIABILITY COVERAGE**, Paragraph 2. **Coverage Extensions** provision:

Paragraph (2) is replaced by the following:

- (2) Up to \$2500 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

Paragraph (4) is replaced by the following:

- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

6. AMENDED FELLOW EMPLOYEE EXCLUSION

The following is added to the **SECTION II - LIABILITY COVERAGE**, B. Exclusions Paragraph 5. **Fellow Employee** exclusion:

This exclusion does not apply if the "bodily injury" arises from the use of a covered "auto" you own or hire. This coverage is excess over any other collectible insurance

SECTION III - PHYSICAL DAMAGE COVERAGE.

7. EXPENSE OF RETURNING A STOLEN "AUTO" and SIGN COVERAGE

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE**, A.1. **COVERAGE**:

d. Expense Of Returning A Stolen "Auto"

We will pay for the expense of returning a covered "auto" to you.

e. Sign Coverage

We will pay for loss to signs, murals, paintings or graphics, as part of equipment, which are displayed on a covered "auto".

The most we will pay for "loss" in any one "accident" is the lesser of:

1. The actual cash value of the property as of the time of the "loss"; or
2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
3. \$2,000.

8. GLASS BREAKAGE DEDUCTIBLE

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE A. COVERAGE** paragraph 3. **Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles**:

Any deductible shown in the Declarations as applicable to the

covered "auto" will not apply to glass breakage if such glass is repaired, rather than replaced.

9. TRANSPORTATION EXPENSE

Paragraph 4. **Coverage Extension.** of **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE** is replaced with the following:

4. Coverage Extension

We will pay up to \$50 per day to a maximum of \$1500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 24 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

10. HIRED AUTO PHYSICAL DAMAGE

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE**:

5. Hired Auto Physical Damage

If hired "autos" are covered "autos" for Liability Coverage and if Physical Damage Coverage of Comprehensive, Specified Causes of Loss, or Collision is provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverage(s) provided is extended to "autos" you hire without a driver or your employee hires, without a driver, at your

direction, for the purpose of conducting your business, for a period of 30 days or less, of like kind and use as the "autos" you own, subject to the following:

The most we will pay for any one loss is the lesser of the following:

- a. \$50,000 per accident, or
- b. cash value, or
- c. the cost of repair,

minus the deductible equal to the lowest deductible applicable to any owned "auto" for that coverage. Any deductible shown in the Declarations does not apply to "loss" caused by fire or lightning. Subject to the limit and deductible stated above, we will provide coverage equal to the broadest coverage provided to any covered "auto" you own, that is applicable to the loss.

If the loss arises from an accident for which you are legally liable and the lessor incurs an actual financial loss from that accident, we will cover the lessor's actual financial loss of use of the hired "auto" for a period of up to seven consecutive days from the date of the accident, subject to a limit of \$1,000 per accident.

11. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE**:

6. Audio, Visual and Data Electronic Equipment Coverage

We will pay for "loss" to any electronic equipment that receives

or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound. This coverage applies only if the equipment is permanently installed in the covered "auto" at the time of the "loss" or the equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto", including its antennas and other accessories. However, this does not include tapes, records or discs.

The exclusions that apply to **PHYSICAL DAMAGE COVERAGE**, except for the exclusion relating to Audio, Visual and Data Electronic Equipment, also apply to coverage provided herein. In addition, the following exclusions apply:

We will not pay, under this coverage, for either any electronic equipment or accessories used with such electronic equipment that is:

1. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
2. Both:
 - a. An integral part of the same unit housing any sound reproducing equipment designed solely for the reproduction of sound if the sound reproducing equipment is permanently installed in the covered "auto", and

- b. Permanently installed in the opening of the dash or console normally used by the manufacturer for the installation of a radio.

With respect to coverage herein, the **LIMIT OF INSURANCE** provision of **PHYSICAL DAMAGE COVERAGE** is replaced by the following:

1. The most we will pay for all "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of
 - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
 - c. \$500.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of the "loss".
3. Deductibles applicable to **PHYSICAL DAMAGE COVERAGE**, do not apply to this Audio, Visual and Data Electronic Equipment Coverage.

If there is other coverage provided by this policy for audio, visual and data electronic equipment, the coverage provided herein is

excess. However, you may elect to apply the limit or any portion thereof of coverage provided herein to pay any deductible that is applicable under the provisions of the other coverage.

12. RENTAL REIMBURSEMENT and MATERIAL TRANSFER EXPENSE

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, A. COVERAGE:**

7. Rental Reimbursement and Material Transfer Expense

This coverage provides only those Physical Damage Coverages where a premium is shown in the Declarations. It applies only to a covered "auto" described or designated to which the Physical Damage Coverages apply.

We will pay for auto rental expenses and the expenses, incurred by you because of "loss" to a covered "auto", to remove and transfer your materials and equipment from the covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.

We will pay only for those auto rental expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:

1. The number of days reasonably required to repair or replace the

covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and transport it to a repair shop.

2. 60 days.

Our payment is limited to the lesser of the following amounts:

1. Necessary and actual expenses incurred, including loss of use.
2. \$3000.

This auto rental expense coverage does not apply while there are spare or reserve "autos" available to you for your operations.

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the **SECTION III - PHYSICAL DAMAGE COVERAGE, A. 4. Coverage Extension.**

13. AIRBAG COVERAGE

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, paragraph 3.**

The portion of this exclusion relating to mechanical or electrical breakdown does not apply to the accidental discharge of an airbag. This coverage is excess of other collectible insurance or warranty. No deductible applies to this Airbag Coverage.

14. AUTO LOAN PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

When a "loss" results in a total loss to a covered auto you own for which a Loss Payee is designated in this policy, the most we will pay for "loss" in any one "accident" is the greater of:

1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
2. The outstanding balance of the initial loan, less any amounts for taxes, overdue payments, overdue payment charges, penalties, interest, any charges for early termination of the loan, costs for Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan, and carry-over balances from previous loans.

15. AUTO LEASE PHYSICAL DAMAGE EXTENSION

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance** provision:

If, because of damage, destruction or theft of a covered "auto", which is a long-term leased "auto", the lease agreement between you and the lessor is terminated, "we" will pay the difference between the amount paid under paragraph **C. LIMIT OF INSURANCE 1. or 2.** and the amount due at the time of "loss" under the terms of the lease agreement applicable to the leased "auto" which you are required to pay: less any fees to dispose of the auto; any overdue payments; financial penalties

imposed under a lease for excessive use, abnormal wear and tear or high mileage; security deposits not refunded by the lessor; cost for extended warranties, Credit Life Insurance, Health, Accident or Disability insurance purchased with the loan; and carry over balances from previous leases.

This coverage applies only to the initial lease for the covered "auto" which has not previously been leased. This coverage is excess over all other collectible insurance.

SECTION IV - CONDITIONS

16. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit Or Loss:**

- d. Knowledge of any "accident", claim, "suit" or "loss" will be deemed knowledge by you when notice of such "accident", claim, "suit" or "loss" has been received by:
 - (1) You, if you are an individual;
 - (2) Any partner or insurance manager if you are a partnership; or
 - (3) An executive officer or insurance manager if you are a corporation.

17. BLANKET WAIVER OF SUBROGATION

Paragraph 5. **Transfer Of Rights Of Recovery Against Others To Us, SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions** is replaced by the following:

**5. Transfer Of Rights Of Recovery
Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, which have not been waived through the execution of an "insured contract", written agreement, or permit, prior to the "accident" or "loss" giving rise to the payment, those rights to recover damages from another are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or "loss" to impair them.

**18. UNINTENTIONAL FAILURE TO
DISCLOSE INFORMATION**

The following is added to **SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions**, paragraph 2. **Concealment, Misrepresentation Or Fraud**:

Your unintentional error in disclosing, or failure to disclose, any material fact existing after the effective date of this Coverage Form shall not prejudice your rights under this Coverage Form. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

**19. HIRED AUTO – WORLDWIDE
COVERAGE**

The following is added to **SECTION IV - Business Auto Conditions, B. General Conditions**, paragraph 7. **Policy Period, Coverage Territory** provision:

- e. Outside the coverage territory described in a., b., c., and d. above for an "accident" or "loss" resulting from the use of a covered "auto" you hire, without a driver, or your employee hires without a driver, at your direction, for the purpose of conducting your business, for a period of 30 days or less, provided the suit is brought within The United States of America or its territories or possessions.

SECTION V - DEFINITIONS

20. MENTAL ANGUISH

Paragraph C. **"Bodily injury"**, **SECTION V - DEFINITIONS** is replaced by the following:

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – AUTOMATIC STATUS WHEN REQUIRED IN WRITTEN CONTRACT WITH YOU

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Except as modified by this endorsement, all other terms and conditions of the policy to which this endorsement is attached apply.

SECTION II – LIABILITY COVERAGE, Paragraph

A. Coverage, item 1. Who Is an Insured is amended to include as an additional insured any person(s) or organization(s) who is a grantor of a franchise to you when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be added as an additional insured on your policy, but only with respect to liability for "bodily injury" or "property damage" caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto" by:

1. You; or
2. Any other person while using a covered "auto" with your permission.

A person(s) or organization(s)' status as an additional insured under this endorsement ends when:

3. The written contract or agreement expires; or
4. Your franchise is terminated or revoked by such person(s) or organization(s) prior to expiration of the franchise as stipulated by the contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY BROADENING ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SUMMARY OF COVERAGES

1.	Additional Insured by Contract, Agreement or Permit	Included
2.	Additional Insured – Primary and Non-Contributory	Included
3.	Blanket Waiver of Subrogation	Included
4.	Bodily Injury Redefined	Included
5.	Broad Form Property Damage – Borrowed Equipment, Customers Goods & Use of Elevators	Included
6.	Knowledge of Occurrence	Included
7.	Liberalization Clause	Included
8.	Medical Payments – Extended Reporting Period	Included
9.	Newly Acquired or Formed Organizations - Covered until end of policy period	Included
10.	Non-owned Watercraft	51 ft.
11.	Supplementary Payments Increased Limits	
	- Bail Bonds	\$2,500
	- Loss of Earnings	\$1000
12.	Unintentional Failure to Disclose Hazards	Included
13.	Unintentional Failure to Notify	Included

This endorsement amends coverages provided under the Commercial General Liability Coverage Part through new coverages, higher limits and broader coverage grants.

1. Additional Insured by Contract, Agreement or Permit

The following is added to **SECTION II – WHO IS AN INSURED:**

Additional Insured by Contract, Agreement or Permit

- a. Any person or organization with whom you agreed in a written contract, written agreement or permit that such person or organization to add an additional insured on your policy is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, but only with respect to:

(1) "Your work" for the additional insured(s) designated in the contract, agreement or permit;

(2) Premises you own, rent, lease or occupy; or

(3) Your maintenance, operation or use of equipment leased to you.

- b. The insurance afforded to such additional insured described above:

(1) Only applies to the extent permitted by law; and

(2) Will not be broader than the insurance which you are required by the contract, agreement or permit to provide for such additional insured.

- (3) Applies on a primary basis if that is required by the written contract, written agreement or permit.
- (4) Will not be broader than coverage provided to any other insured.
- (5) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto.

c. This provision does not apply:

- (1) Unless the written contract or written agreement was executed or permit was issued prior to the "bodily injury", "property damage", or "personal injury and advertising injury".
 - (2) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
 - (3) To any lessor of equipment:
 - (a) After the equipment lease expires; or
 - (b) If the "bodily injury", "property damage", "personal and advertising injury" arises out of sole negligence of the lessor
 - (4) To any:
 - (a) Owners or other interests from. whom land has been leased which takes place after the lease for the land expires; or
 - (b) Managers or lessors of premises if:
 - (i) The occurrence takes place after you cease to be a tenant in that premises; or
 - (ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
 - (5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.
- This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and

advertising injury" involved the rendering of or failure to render any professional services by or for you.

- d. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION III – LIMITS OF INSURANCE**:

The most we will pay on behalf of the additional insured for a covered claim is the lesser of the amount of insurance:

- 1. Required by the contract, agreement or permit described in Paragraph a.; or
- 2. Available under the applicable Limits of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

2. Additional Insured – Primary and Non-Contributory

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. Other Insurance:

Additional Insured – Primary and Non-Contributory

If you agree in a written contract, written agreement or permit that the insurance provided to any person or organization included as an Additional Insured under **SECTION II – WHO IS AN INSURED**, is primary and non-contributory, the following applies:

If other valid and collectible insurance is available to the Additional Insured for a loss covered under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary to other insurance that is available to the Additional Insured which covers the

Additional insured as a named insured. We will not seek contribution from any other insurance available to the Additional Insured except:

- (1) For the sole negligence of the Additional Insured;
- (2) When the Additional Insured is an Additional Insured under another primary liability policy; or
- (3) when b. below applies.

If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

(1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(b) That is Fire Insurance for premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner;

(c) That is insurance purchased by the Additional Insured to cover the Additional Insured's liability as a tenant for "property damage" to premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner; or

(d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**.

(2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

if all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each

insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers

3. Blanket Waiver of Subrogation

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us:**

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damage under this coverage form. The damage must arise out of your activities under a written contract with that person or organization. This waiver applies only to the extent that subrogation is waived under a written contract executed prior to the "occurrence" or offense giving rise to such payments.

4. Bodily Injury Redefined

SECTION V – DEFINITIONS, Definition 3. "bodily injury" is replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".

5. Broad Form Property Damage – Borrowed Equipment, Customers Goods, Use of Elevators

a. **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Paragraph 2. **Exclusions** subparagraph j. is amended as follows:

Paragraph (4) does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraphs (3), (4) and (6) do not apply to "property damage" to "customers goods" while on your premises nor do they apply to the use of elevators at premises you own, rent, lease or occupy.

b. The following is added to **SECTION V – DEFINITIONS:**

24. "Customers goods" means property of your customer on your premises for the purpose of being:

- a. worked on; or
- b. used in your manufacturing process.
- c. The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent

6. Knowledge of Occurrence

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

- a. Notice of an "occurrence", offense, claim or "suit" will be considered knowledge of the insured if reported to an individual named insured, partner, executive officer or an "employee" designated by you to give us such a notice.

7. Liberalization Clause

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

Liberalization Clause

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium, within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

8. Medical Payments – Extended Reporting Period

- a. **SECTION I – COVERAGES, COVERAGE C – MEDICAL PAYMENTS**, Paragraph 1. **Insuring Agreement**, subparagraph a.(3)(b) is replaced by the following:

- (b) The expenses are incurred and reported to us within three years of the date of the accident; and

- b. This coverage does not apply if **COVERAGE C – MEDICAL PAYMENTS** is excluded either by the provisions of the Coverage Part or by endorsement.

9. Newly Acquired Or Formed Organizations

SECTION II – WHO IS AN INSURED, Paragraph 3.a. is replaced by the following:

- a. Coverage under this provision is afforded until the end of the policy period.

10. Non-Owned Watercraft

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2. **Exclusions**, subparagraph g.(2) is replaced by the following:

g. Aircraft, Auto Or Watercraft

- (2) A watercraft you do not own that is:

- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge;

This provision applies to any person who, with your consent, either uses or is responsible for the use of a watercraft.

11. Supplementary Payments Increased Limits

SECTION I – SUPPLEMENTARY PAYMENTS COVERAGES A AND B, Paragraphs 1.b. and 1.d. are replaced by the following:

- 1.b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- 1.d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1000 a day because of time off from work.

12. Unintentional Failure to Disclose Hazards

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 6. **Representations:**

We will not disclaim coverage under this Coverage Part if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

13. Unintentional Failure to Notify

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit:**

Your rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury" or "property damage" is not covered under this policy.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

WC 04 03 06 (Ed. 4-84)

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT—
CALIFORNIA**

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on 4/1/18 at 12:01 A.M. standard time, forms a part of
(DATE)

Policy No. W23D541289

Endorsement No. 1

of the Allmerica Financial Benefit Insurance Co.
(NAME OF INSURANCE COMPANY)

issued to Audio Associates of San Diego

Premium (if any) \$

Authorized Representative

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be % of the California workers' compensation premium otherwise due on such remuneration.

Person or Organization	Schedule	Job Description
Per written contract		

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Swagit Productions, LLC in the amount of \$62,800 to implement the AVIOR High Definition Remote Broadcast System and provide monthly streaming an

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO. _____

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Swagit Productions, LLC in the amount of \$62,800 to implement the AVIOR High Definition Remote Broadcast System and provide monthly streaming and video production services.

PREPARED BY: Ron Williams

DEPARTMENT: MIS

PHONE: 619-336-4373

APPROVED BY: 

EXPLANATION:

The City of National City is upgrading the Council Chambers Audio/Video System which will include a new webcast streaming service utilizing Swagit Productions AVIOR High Definition Remote Broadcast System. The webcast streaming service replaces Granicus and includes remote camera control and video production services. The initial cost for the first year including implementation (equipment, installation, configuration, Granicus video migration, 12 months of video production and streaming service) is \$62,800. Each additional year will cost \$23,050 for monthly streaming and video production services (\$1920.83 per month). The Swagit Productions remote camera operations and video production services will provide an integral function by enhancing the overall capabilities of the audio/video system.

FINANCIAL STATEMENT:

APPROVED:  Finance

ACCOUNT NO.

APPROVED:  MIS

Funds are appropriated in account 629-403-082-502-0000 (\$34,950) and 629-403-082-299-0000 (\$27,850)

ENVIRONMENTAL REVIEW:

This is not a project, therefore does not require environmental review

ORDINANCE: ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Staff recommends authorizing the Mayor to execute an agreement with Swagit Productions, LLC.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Contract

**AGREEMENT FOR
VIDEO STREAMING SERVICES**

**CITY OF NATIONAL CITY
and
SWAGIT PRODUCTIONS LLC**

This Agreement for Video Streaming Services ("Agreement") is entered into as of May 15, 2018 by and between the City of National City, California ("City"), a municipal corporation with offices at 1243 National City Blvd., National City, California 91950, and Swagit Productions LLC, ("Provider") a Texas Limited Liability Company, with offices at 12801 North Central Expressway, Suite 900, Dallas, Texas 75243 effective as of the date written below.

RECITALS

- A. The City desires to enter into this Agreement in order to obtain video streaming services for scheduled Council meetings as outlined in the Scope of Services attached as Exhibit "A"; and
- B. Provider has available and offers to provide the personnel necessary to provide said services in accordance with the Scope of Services included in this Agreement (see Exhibit A attached hereto and incorporated herein); and
- C. Provider is in the business of providing video streaming services for businesses and governmental entities, and represents and warrants that it has the skills, qualifications, expertise and experience necessary to perform the work and services to provide and implement video streaming services as described herein in an efficient, cost-effective manner with a high degree of quality and responsiveness and has performed and continues to perform the same and similar services for other buyers; and
- D. On the basis of and in reliance upon such representations by Provider and others made herein and in Provider's proposal, the City desires to engage Provider to provide the work and services described herein under the terms and conditions of this Agreement.

For the reasons recited above, and in consideration of the mutual covenants contained in this Agreement, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Provider agree as follows:

1. SERVICES TO BE PERFORMED BY PROVIDER

Provider agrees to perform the following work and services for the City:

1.1 Provider agrees to provide the work and services as set forth in the Scope of Services.

1.2 Without limiting the foregoing provisions of Section 1.1, the services to be provided by Provider include the installation ("Installation") by Provider of all hardware, software, cameras, wiring, and related equipment and materials identified and described in the Scope of Services (collectively, the "Equipment") within the City of National City chambers located at; 1243 National City Blvd., National City, California 91950 (the "Site"). Before installing the same, Provider shall deliver to the City, for review and consideration of approval, drawings or plans and specifications for such Installation. The City's approval of any Installation or related plans does not and shall not constitute a representation or warranty by the City that the Installation or related plans comply with any specifications therefor or with any applicable governmental laws, rules, codes, standards, or regulations.

2. COMPENSATION OF PROVIDER

2.1 Provider agrees to provide all of the services and Equipment set forth in the Scope of Services and as described herein for the following amounts:

(a) A one-time charge not to exceed:

(i) **Four Thousand Eight Hundred and No/100 Dollars (\$4,800.00)** for Swagit EASE hardware/software and other related (including, without limitation, Installation and migration) costs (as identified and detailed on the attached Exhibit "A", page 3, "Streaming Video Hardware"); and

(ii) **Thirty-Four Thousand Nine Hundred Fifty and No/100 Dollars (\$34,950.00)** for broadcast system hardware/software and other related (including, without limitation, Installation) costs (as identified and detailed on the attached Exhibit "A", page 5, "Avior Broadcast System"); and

(b) Following the Installation at the Site of all Equipment by Provider and the acceptance thereof by the City, the City shall pay to Provider a monthly fee in the amount of **One Thousand Nine Hundred Twenty and 83/100 Dollars (\$1,920.83)** for on-demand streaming, live video streaming, sound search and remote switching (as identified and described on the attached Exhibit "A", page 3, "Streaming Video Monthly Managed Services").

2.2 (a) Payment for the work, services, and Equipment described in Section 2.1(a)(i) and 2.1(a)(ii), above, shall be due and payable following the completion of the Installation of the Equipment by Provider, the acceptance thereof by the City, and the receipt by the City of an invoice from Provider for such work, service and Equipment; provided, however that with respect to the work, service and Equipment described in Section 2.1(a)(ii), fifty percent (50%) of the not-to-exceed amount set forth therein (or \$17,475.00) shall be due and payable not later than Fifteen (15) days following the date Agreement has been signed by

both parties.

- (b) Payment balance for the work, services, and Equipment described in Section 2.1(a)(ii) shall be due and payable following the completion of the Installation of the Equipment by Provider and the acceptance thereof by the Director.
- (c) Except as set forth herein, payments will be processed on a monthly basis, unless annual billing has been requested, with payment available within 30 days after receipt of an invoice for the previous month's service. All payments pursuant to this Agreement shall be made promptly and without undue delay, and in no circumstance beyond 60 days from the due date.

3. RIGHTS, OBLIGATIONS AND REPRESENTATIONS OF PROVIDER

3.1 Independent Contractor. The parties agree that Provider performs specialized services and that Provider enters into this Agreement with the City as an independent contractor. Nothing in this Agreement shall be construed to constitute Provider or any of Provider's agents or employees as an agent, employee or representative of the City. Further, nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, a joint enterprise, or to allow the City to exercise discretion or control over the manner in which Provider performs the work and services, which are the subject matter of this Agreement. As an independent contractor, Provider is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages arising out of Provider's performance under this Agreement. Neither Provider, nor any of its employees, shall be entitled to any of the rights, benefits, or privileges of City's employees, including but not limited to retirement, medical, unemployment, or worker's compensation insurance.

3.2 Provider's Control of Work. All services to be provided by Provider shall be performed in accordance with the Scope of Services. Provider shall furnish the qualified personnel, materials, equipment and other items necessary to carry out the terms of this Agreement. Provider shall be responsible for and in full control of the work of all such personnel. Provider warrants and represents that all Equipment and other goods and materials provided by Provider shall be safe, fully operational, and will not cause injury or damage to any person or property, and that all persons provided by Provider to perform the work and services under this Agreement shall be adequately trained and capable of performing the work and services.

3.3 Reports to the City. Although Provider is responsible for control and supervision of work and services performed under this Agreement, the work and services provided shall be acceptable to the City and shall be subject to a general right of inspection and supervision to ensure satisfactory completion. This right of inspection and supervision shall include, but not be limited to, all reports to be provided by Provider to the City and the right of the City, as set forth in the Scope of Services.

3.4 Compliance with All Laws. Provider shall comply with all applicable laws, statutes, ordinances, rules, regulations, standards, codes, and executive orders of the federal,

state and local government, which may affect the performance of this Agreement.

- 3.5 **Organization and Authorization.** Provider warrants and represents that: (i) it is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Texas, and which shall remain in good standing throughout the term of this Agreement; (ii) it has the requisite power and authority to carry on its business as it is now being conducted; (iii) it has the legal capacity to enter into this Agreement; (iv) the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement have been authorized and approved by all action required on the part of Provider; (v) has the right and authority to sell the hardware and software to the City; (vi) all hardware and software shall be in good working order, specifically that the software does not contain any lock, clock, time, trojan horse, easter egg, time bomb, counter, copy protection feature, replication devices, defects, or other devices that might lock, disable, or erase a product or prevent client from fully utilizing the licensed software; and, (vii) all licenses and warranties regarding the software and hardware shall be conveyed to the City.
- 3.6 **No Conflict.** Provider warrants and represents that the execution and delivery of this Agreement and ancillary agreements hereto by Provider does and will not: (i) conflict with, or result in any violation or breach of, any provision of Provider's charter documents; (ii) result in any violation or breach of, or constitute a default under, or require a consent or waiver under, any of the terms, conditions or provisions of any license, contract or other agreement to which Provider is a party; or (iii) conflict with or violate any franchise, license, judgment, order, statute, law, rule or regulation applicable to Provider.
- 3.7 **Camera and Broadcast Operations.** Although Provider is responsible for control and supervision of work and services performed under this Agreement, the City understands that the operation of the camera and broadcast system can be done remotely. Such remote operation requires access via inbound TCP port 2001, outbound TCP ports 21, 80, 443, 1935, 5721, and outbound UDP ports 53, 123. The City will need to supply the Provider with access to such TCP and UDP ports with respect to the City's Internet connection. If, such access is not given or the City's Internet connection fails during operations, the Provider will not be held responsible for remote camera operations. Additionally, in the event the Provider decides to operate such system manually, the City shall provide access to the equipment (as identified and described in the Scope of Services, page 5, "*Avior Broadcast System*") at the Site described in Section 1.2, above.
- 3.8 **Warranty.** Provider warrants that: (i) any streaming server hardware provided by Swagit not in good working order and used under normal operating conditions, will be fully replaced for a period of three (3) years; (ii) thereafter, all costs of streaming server hardware replacement due to any failure or caused by normal wear and tear, shall be at the City's expense; (iii) all operating and proprietary software for any streaming server shall be fully replaced or upgraded, at no cost to the City, for the life of the contract; and, (iv) all hardware and software for the broadcasting equipment (as identified and described in the Scope of Services, page 5, "*Avior Broadcast System*"), shall be replaced or fixed with respect to each components manufacturer's

warranties. Provider shall pass through to City any representations and warranties provided by third party products or through third party end user license agreements. City may directly enforce any such pass-through warranties.

- 3.9 **Provider's Service Network.** Provider's content delivery network and service level represents that: (i) it maintains full N+1 redundancy on all service critical-infrastructure in order to protect against outages. Multiple mirror facilities provide diverse geographic redundancy. Within each facility servers have multiple power supplies, network interfaces and RAID protected storage. Provider is connected to upstream bandwidth providers by multiple gigabit uplinks, transitioning to gigabit and ten-gigabit connections to multiple "tier 1" bandwidth providers, offering route diversity and redundancy. These bandwidth providers maintain 24/7 staffs familiar with mitigating Denial of Service attacks, should the need arise, which they have sufficient capacity to absorb-and-filter; (ii) Provider utilizes external, 3rd party monitoring services to track server availability metrics. This service tracks availability from approximately 30 international points which helps isolate regional networking issues, in addition to any centralized failures; (iii) Content is stored on Provider's networks and viewable to the public for a period of three years or as defined by the managed services. All content is stored and backed-up offline indefinitely during the service term. Content can also be stored locally on the City's network for an indefinite period of time limited only by storage capacity, with the added benefit of cached delivery to local users. City is consulted before they exceed any storage horizon and may extend the window for additional years; (iv) Content is stored in widely accessible formats and is available for export at any time. Exported data will include multimedia content and associated documents in their native format as well as any structured metadata in XML format. Access to exported content can be via FTP, but in such an event the City is encouraged to provide a portable hard drive to ease the transition of storage and bandwidth intensive content; and (v) the City may verify compliance with these policies at any time in consultation with Provider engineers and officers.

4. NOTICE PROVISIONS

Notice. Any notice concerning this Agreement shall be in writing and (i) sent by certified or registered mail, return receipt requested, postage prepaid, (ii) delivered personally, or (iii) placed in the custody of Federal Express Corporation or other nationally recognized carrier to be delivered overnight; and addresses for such notice are as follows:

To the City's Authorized Representative:

Ron Williams
IT Manager
City of National City
1243 National City Blvd.
National City, CA 91950
619-250-1824

To Provider:

David Owusu
Director of Streaming
Swagit Productions, LLC
12801 N. Central Expressway, Ste 900
Dallas, Texas 75243
800/573-3160

Notice shall be deemed given upon receipt by the party to whom it is sent.

5. INDEMNIFICATION

Provider (hereinafter referred to as "Indemnitor") agrees to indemnify, save and hold harmless the City, any jurisdiction or agency issuing permits for any work under this Agreement, and their respective directors, officers, officials, agents, employees and volunteers (hereinafter referred to as "Indemnitee") from and against any and all liabilities, damages, losses, or expenses (including court costs, attorney's fees, and costs of claim processing, investigation and litigation) (hereinafter collectively referred to as "Claims") for personal injury (including death) or property damage to the extent caused by the negligent act, omission, negligence or misconduct of the Indemnitor, or any of Indemnitor's directors, officers, agents, employees or volunteers. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Provider to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree in effect at the time services are rendered. Provider shall be responsible for defense, and judgment costs where this indemnification is applicable. Client will cooperate reasonably in the defense of any action, and Active shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

6. INSURANCE

Provider and its subcontractors shall procure and maintain in a company or companies lawfully authorized to do business in California and until all of their obligations have been discharged and satisfied (and including during any warranty periods under this Agreement), insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the services and work hereunder by Provider, its agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits contained herein are sufficient to protect Provider from liabilities that may arise out of the performance of the services and work under this Agreement by Provider, its agents, representatives, employees or subcontractors and Provider is free to purchase additional insurance as may be determined necessary.

A. **Minimum Scope and Limits of Insurance.** Provider shall provide coverage at least as broad and with limits of liability not less than those stated below.

1. **Commercial General Liability - Occurrence Form**
(Form CG 0001, ed. 10/93 or any replacements thereof)
General Aggregate \$2,000,000

Products-Completed Operations Aggregate	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (Any one fire)	\$ 50,000
Medical Expense (Any one person)	Optional

(This coverage must be amended to provide for an each-project aggregate limit of insurance)

2. Workers' Compensation and Employer's Liability

Workers' Compensation

Statutory

3. Professional Liability

\$1,000,000

(This coverage required by this Section 6(A)(3) must be maintained for at least two (2) years after the project is completed; if coverage is written on a claims-made basis, Provider shall maintain such insurance coverage for three (3) years after expiration of the term (and any extensions) of this Agreement and the policy retroactive date must be equivalent to the inception date of the contract (or earlier) must be maintained during the full term of this Agreement)

4. Cyber Insurance

Cyber Insurance, with minimum limits of \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all cyber-related risks that include theft, loss or misuse of data, release of private information and responsibility for costs, fines and penalties that City might incur in the event of a data breach.

B. OTHER INSURANCE REQUIREMENTS: The foregoing insurance policies shall be endorsed to contain the following provisions:

1. The City of National City, its officers, officials, agents, employees and volunteers shall be named as additional insureds with respect to general liability, including liability arising out of activities performed by, or on behalf of, the Provider; products and completed operations of the Provider, and automobiles owned, leased, hired or borrowed by the Provider.
2. The Provider's insurance shall contain broad form contractual liability coverage.
3. The City of National City, its officers, officials, agents, employees and volunteers shall be additional named insureds to the full limits of liability purchased by the Provider even if those limits of liability are in excess of those required by this Agreement.
4. The Provider's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, and employees (and must be endorsed to read as primary coverage regardless of the

application of other insurance). Any insurance or self-insurance maintained by the City, its officers, officials, agents, employees, or volunteers shall be in excess to the coverage of the Provider's insurance and shall not contribute to it.

5. The Provider's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
6. Coverage provided by the Provider shall not be limited to the liability assumed under the indemnification provisions of this Agreement.
7. The policies shall contain a waiver of subrogation in favor of the City, its officers, officials, agents, and employees.
8. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions applicable to the claims of the City of National City.
9. All insurance policies shall be endorsed to require the insurer to immediately notify the City of National City, California, in writing, of any material change in the insurance coverage.
10. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the City's Risk Manager.
11. Insurance must be purchased from insurers that are financially acceptable to the City's Risk Manager and licensed to do business in the State of California.
12. If Provider maintains broader coverage or higher limits (or both) than the minimum limits shown above, City requires and shall be entitled to the broader coverage or higher limits (or both) maintained by the Provider. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.
13. The Certificate Holder for all policies of insurance required by this Agreement shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA 91950-4397

- 6.1 Notice of Cancellation. Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided or canceled, or not renewed, except after sixty (30) days prior written notice has been given to the City, except when cancellation is for non-payment of premium,

then at least ten (10) days prior notice shall be given to the City. Such notice shall be sent directly to the Certificate Holder's address, as described in Section 6(B)(13), with a copy to:

**Ron Williams
IT Manager
City of National City
1243 National City Blvd.
National City, CA 91950**

- 6.2 Acceptability of Insurers. Insurance shall be placed with insurers duly licensed or authorized to do business in the State of California and with an "A.M. Best" rating of not less than A: VII, or receiving prior approval by the City's Risk Manager. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect Provider from potential insurer insolvency. All insurance must be written on forms filed with and approved by the California Department of Insurance.
- 6.3 Verification of Coverage. Prior to commencing work or services, Provider shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement (and update the same as needed to comply with this Agreement). The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf.

Certificates of Insurance shall:

1. List each insurance coverage described and required herein. Such certificates will also include a copy of the endorsements necessary to meet the requirements and instructions contained herein.
2. Specifically set forth the notice-of-cancellation or termination provisions to the City of National City.

All certificates and any required endorsements shall be received and approved by the City before work commences. Each insurance policy required by this Agreement shall be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of this Agreement. If Provider does not keep all of insurance policies required by this Agreement in full force and effect at all times during the Term of this Agreement, City may elect to treat the failure to maintain the requisite insurance as a material breach of this Agreement and terminate the Agreement as provided herein.

All certificates required by this Agreement shall be sent directly to **Ron Williams, IT Manager, City of National City, 1243 National City Blvd., National City, CA 91950**. The City reserves the right to request and receive within ten (10) days, complete copies of all insurance policies (certified to be true and correct by the insurance carrier) required by this Agreement at any time. The City shall not be obligated, however, to review same or to advise Provider of any deficiencies in such policies and endorsements, and such receipt shall not relieve Provider from, or be deemed a waiver

of the City's right to insist on, strict fulfillment of Provider's obligations under this Agreement.

- 6.4 Subcontractors. Providers' certificate(s) shall include all subcontractors as additional insureds under its policies or Provider shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements and all provisions identified above.
- 6.5 Approval. Any modification or variation from the insurance requirements in this Agreement shall be made by the City's Risk Manager, whose decision shall be final. Such action shall not require a formal amendment to this Agreement, but may be made by administrative action.

7. DEFAULT AND TERMINATION

Events of Default Defined. The following shall be Events of Default under this Agreement:

- 7.1.1 Any material misrepresentation made by Provider to the City;
- 7.1.2 Any failure by Provider to perform its obligations under this Agreement including, but not limited to, the following:
- 7.1.2.1 Failure to commence work at the time(s) specified in this Agreement due to a reason or circumstance within Provider's reasonable control;
 - 7.1.2.2 Failure to perform the work with sufficient personnel and equipment or with sufficient equipment to ensure completion of the work within the specified time due to a reason or circumstance within Provider's reasonable control;
 - 7.1.2.3 Failure to perform the work in a manner reasonably satisfactory to the City;
 - 7.1.2.4 Failure to promptly correct or re-perform within a reasonable time work that was rejected by the City as unsatisfactory or erroneous;
 - 7.1.2.5 Discontinuance of the work for reasons not beyond Provider's reasonable control;
 - 7.1.2.6 Failure to comply with a material term of this Agreement, including, but not limited to, any required provision of insurance; and
 - 7.1.2.7 Any other acts specifically stated in this Agreement as constituting a default or a breach of this Agreement.

- 7.2 Remedies. The following shall be remedies under this agreement.

- 7.2.1 Upon the occurrence of any Event of Default, the City may declare Provider in default under this Agreement. The City shall provide written notification of the Event of Default and any intention of the City to terminate this Agreement. Upon the giving of notice, the City may invoke any or all of the following remedies:
- 7.2.1.1 The right to cancel this Agreement as to any or all of the services yet to be performed;
 - 7.2.1.2 The right of specific performance, an injunction or any other appropriate equitable remedy;
 - 7.2.1.3 The right to monetary damages;
 - 7.2.1.4 The right to withhold all or any part of Provider's compensation under this Agreement;
 - 7.2.1.5 The right to deem Provider non-responsive in future contracts to be awarded by the City; and
 - 7.2.1.6 The right to seek recoupment of public funds spent for impermissible purposes.
- 7.2.2 The City may elect not to declare an Event of Default or default under this Agreement or to terminate this Agreement upon the occurrence of an Event of Default. The parties acknowledge that this provision is solely for the benefit of the City, and that if the City allows Provider to continue to provide the Services despite the occurrence of one or more Events of Default, Provider shall in no way be relieved of any of its responsibilities or obligations under this Agreement, nor shall the City be deemed to waive or relinquish any of its rights under this Agreement.
- 7.3 Right to Offset. Any excess costs incurred by the City in the event of termination of this Agreement for default, or in the event the City exercises any of the remedies available to it under this Agreement, may be offset by use of any payment due for services completed before termination of this Agreement for default or the exercise of any remedies. If the offset amount is insufficient to cover excess costs, Provider shall be liable for and shall remit, within 60 days, to the City the balance upon written demand from the City.
8. ADMINISTRATIVE PROVISIONS
- 8.1 Headings. The section and subsection headings contained herein are for convenience only and shall not be used in interpretation of this Agreement and are not intended to define or limit the scope of any provision of this Agreement.
- 8.2 Governing Law and Venue. This Agreement shall be governed by and administered and interpreted under the laws of the State of California, without regard to any conflict

of laws provisions. Venue for any action, cause or action or proceeding under this Agreement lies exclusively in the State Superior Court of San Diego County, California, and the parties agree to submit to the personal and subject matter jurisdiction of said court.

8.3 **Severability.** The sections, paragraphs, sentences, phrases, words, and all other provisions of this Agreement are severable, and if any part of this Agreement is determined by a court of competent jurisdiction to be illegal, unlawful, unconstitutional, or void for any reason, the parties intend that the remaining provisions of this Agreement shall remain in full force and effect unless the stricken provision leaves the remaining Agreement unenforceable.

8.4 **Mediation.** As a condition precedent to any party to this Agreement filing a lawsuit the parties shall conduct mediation. The parties to this Agreement covenant, agree, warrant, and represent that they will conduct the mediation in good faith seeking to resolve any dispute between the parties prior to filing a lawsuit. The parties further covenant, agree, warrant, and represent that should a party file a lawsuit without first attending a mediation, the non-filing party shall be entitled to abate the lawsuit until such time as the parties have conducted a mediation. The parties will make a good faith attempt to agree on a mediator. If the parties cannot agree on a mediator, then each party will select a mediator and the two mediators will select a mediator for the parties. The selection of mediator made by the two mediators who are selected by the parties are binding on the parties. At the conclusion of the mediation, at the time the mediator declares an impasse, or at the time the parties execute a final settlement agreement between the parties, whichever occurs first, the parties will be deemed to have complied with the requirements of this section. Each party agrees to bear its own costs in mediation.

8.4.1 **Attorney's Fees.** If suit or action is initiated in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in event of appeal as allowed by the appellate court.

8.5 **Assignment.** This Agreement is binding on the heirs, successors and assigns of the parties hereto. This Agreement may not be sold, assigned, pledged, subcontracted, transferred or otherwise conveyed by any means whatsoever by either the City or Provider without prior written consent of the other, and any sale, assignment, pledge, subcontract, transfer or other conveyance by either party without the other party's prior written consent shall be null and void.

8.6 **Conflict of Interest.** Provider covenants that Provider presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of the work and services required to be performed under this Agreement. Provider further covenants that in the performance of this Agreement, Provider shall not engage any employee or apprentice having any such interest.

- 8.7 **Authority to Contract.** The undersigned officers and/or representatives of the parties hereto are the properly authorized persons and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that it has taken all actions necessary to authorize entering into this Agreement.
- 8.8 **Integration; Modification.** This Agreement represents the entire understanding of City and Provider as to those matters contained in this Agreement, and no prior oral or written understanding shall be of any force or effect with respect to those matters. This Agreement may not be modified or altered except in writing signed by duly authorized representatives of the parties.
- 8.9 **Non-appropriation.** If the City Council does not appropriate funds to continue this Contract and pay for charges hereunder, the City may terminate this Agreement at the end of the then current fiscal year, or at the time that funds are no longer available to meet the City's payment obligations hereunder. The City agrees to give written notice of termination to the Provider at least sixty (60) days prior to any termination for non-appropriation of funds and will pay the Provider in accordance with this Agreement through the date of termination of this Agreement.
- 8.10 **Subcontractors.** This Agreement or any portion hereof shall not be sub-contracted without the prior approval of the City. No subcontractor shall, under any circumstances, relieve Provider of its liability and obligation under this Agreement. The City shall deal through Provider and any subcontractor shall be dealt with as a worker and representative of Provider. Provider assumes responsibility to the City for the proper performance of the work and service of all subcontractors and any acts and omissions in connection with such performance. Nothing in this Agreement shall, or is intended or deemed to, create any legal, contractual or other relationship between the City and any subcontractor or sub-subcontractor.
- 8.11 **No Waiver.** The failure by the City to exercise any right, power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement for any reason whatsoever, including with respect to any such right, power or option or to such compliance or to any other or subsequent default or breach hereof, nor a waiver by the City of its rights at any time to exercise any such right, power or option or to require exact and strict compliance with all the terms hereof. Any rights and remedies the City may have arising out of this Agreement shall survive the cancellation, expiration or termination of this Agreement.
- 8.12 **No Third Party Beneficiaries.** This Agreement and all of its provisions are solely for the benefit of Provider and the City and are not intended to and shall not create or grant any rights, contractual or otherwise, to any third person or entity.
- 8.13 **"Includes".** For purposes of this Agreement, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded.

8.14 Incorporation of Recitals and Exhibits. The Exhibits and Recitals to this Agreement are incorporated herein and made a part hereof for all purposes.

9. DISCLOSURE OF AGREEMENT; INTERLOCAL ARRANGEMENTS.

9.1 Disclosure of Agreement Terms. The terms and conditions of this Agreement may be disclosed by either party to other public agencies for the purpose of such other agencies purchasing services under this Agreement pursuant to an interlocal or cooperative arrangement with the City. In addition, Provider may disclose the terms and conditions of this Agreement in an effort to show that the terms offered to another public agency are fair and reasonable or to determine the best value. It is understood that the Provider shall not be precluded from disclosing the terms and conditions of its form of Service Agreement to any other third party at Swagit's sole discretion and for any reason. City is subject to the Public Records Act and this Section 9.1 is not intended to impede or impair Customer's requirements or obligations under that Act. If City receives a request for a copy of any information or documentation which Provider has indicated, by written notice to City, Provider considers confidential and proprietary, City shall notify Provider so that Provider may, at Provider's sole cost and expense, seek relief from compliance with such request.

9.2 Included Parties; Interlocal Agreement. Pursuant to any interlocal, intergovernmental, or other such cooperative agreement with the City, Provider will accept orders from, and will furnish the Provider's Software, Hardware, Professional Services, and Managed Services as outlined in the Proposal to any governmental agency or other public entity authorized by the City to use the Proposal, based upon substantially the same terms and conditions of this Agreement, with the exception of price schedules.

9.3 Political Subdivision Participation. The Provider agrees to supply, sell, and contract separately with other similar or related political subdivisions (i.e., colleges, school districts, counties, cities, etc.) of the City, based upon substantially the same terms and conditions of this Agreement, with the exception of price schedules, in an effort to establish the terms and conditions as fair and reasonable.

10. DURATION

This Agreement shall become effective on May 15, 2018 and shall continue in force for an initial term of twelve (12) months, unless sooner terminated as provided above. All pricing is to remain firm during the contract period. If Provider is not in default of any provision of this Agreement upon the expiration of this twelve-month period, the City Manager, or designee, may extend the term upon mutual agreement between the parties. This Agreement may be extended by mutual agreement upon the same terms and conditions for an additional three (3) year term. The initial one-year period, and any extension pursuant to this Section 10, may collectively be referred to hereafter as the "Term."

11. SURVIVAL OF COVENANTS

Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

12. COUNTERPARTS


This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the City and Provider have duly executed this Agreement as of the day and year first above written.

CITY OF NATIONAL CITY

By: _____
Ron Morrison, Mayor

SWAGIT PRODUCTIONS LLC, a Texas limited liability company *(Signatures of two corporate officers required)*

By: 
Bryan R. Halley, President

By: 
David Owusu, Vice President

APPROVED AS TO FORM:

Angil P. Morris-Jones
City Attorney

By: _____
Roberto M. Contreras
Deputy City Attorney

EXHIBIT A
SCOPE OF SERVICES
(See Attached)

Scope of Services – Exhibit A

EASE Solution

Built upon years of industry experience, Extensible Automated Streaming Engine (EASE) is a software framework comprised of foundation and extension modules that work together to automate many otherwise manually intensive tasks. This completely hands-off solution meets the current and future needs of your entity without creating any additional work for clerks or webmasters.

- **Video Capture and Encoding**

EASE Encoder records content according to your broadcast schedule and transfer the recorded audio/video to the Swagit Content Network via a secure Virtual Private Network (VPN) connection, making it available for live and/or on-demand streaming.

- **Indexing and Cross Linking**

Using your published meeting agendas as a guide, Swagit's Managed Service Division (SMSD) indexes the meetings without any work from client staff. SMSD will annotate your content by adding jump-to points with specific item headings, giving users the greatest flexibility to find the specific content they need. With these jump-to points, users can step through video by searching for or clicking specific items.

- **Agenda Management Integration**

If meeting packets or other related information is available online, SMSD will link them directly to the video player for easy access.

Swagit's EASE solution integrates with all Document/Agenda Management solutions.

- **Archiving**

Client audio/video can be stored securely on the Swagit Content Network indefinitely. Fault tolerance and high availability is assured through replication of audio/video content to multiple, geographically redundant, Storage Area Networks (SAN). Our standard packages includes unlimited storage of meetings.

- **Presentation**

By navigating through the video library, users can view a list of meetings chronologically and once in a selected meeting you can unleash the power of the jump-to markers to search for specific points within individual audio/video clips. Meetings typically begin to post to a VOD account within 3-4 hours from the end of a meeting, depending on the client's connectivity speed and bandwidth. Notwithstanding any technical or network issues, fully indexed meetings are available on a client's site in less than 24 hours.

- **Delivery**

In order to deliver on-demand content to end users in a format that is native to their computer's operating system, Swagit can deliver content in all major streaming video formats: HTML5, Flash, Windows Media, QuickTime and Real. Swagit is proud to support HTML5 and Flash as its default formats, which has proven itself as the format of choice from such vendors as YouTube, Google Video, Facebook, ABC and NBC/Universal.

EASE Solution

•Monitoring

Swagit is monitoring all aspects of the Swagit Content Network to ensure its health and availability. This monitoring extends to cover remote Swagit EASE Encoders deployed on client premises. In the rare event of trouble our engineers are promptly notified so that they may dispatch a swift response in accordance with our support procedures.

•Statistics

Swagit collates log files from our streaming servers monthly and processes them with the industry recognized Google Analytics. Google Analytics generates reports ranging from high-level, executive overviews to in depth quality of service statistics. These reports help to highlight growth trends and identify popular content.

•Support

Beyond our proactive monitoring and response, Swagit offers ongoing, 24/7 technical support for any issues our clients may encounter. While our choice of quality hardware vendors and a thorough pre-installation testing phase go a long way toward ensuring trouble free operation of our EASE Encoders, we do recognize that occasionally unforeseen issues arise. In the event that our engineers detect a fault, they will work to diagnose the issue. If necessary, next business day replacement of parts will be completed. Swagit offers continual software updates and feature enhancements to our services and products for the life of your managed services contract.



Investment-Streaming Video

Streaming Video Hardware

Item Description	Type	Up-front Cost
Hardware/Software/Provisioning	2U	\$4,800.00
Swagit EASE C Encoder: 2x SDI (3G/HD/SD) Video, Embedded SDI, AES, SPDIF, Balanced, Unbalanced Audio, Osprey 825e Capture Card, Osprey 800a Capture Card, Embedded SDI, AES, SPDIF, HDMI, Balanced (mini XLR), Unbalanced Audio, 13.9" 2U Rackmount Chassis SPARKLE 350W Power Supply, Supermicro X11SSQ Motherboard, Intel Core i7-6700 Processor, 8GB Micron Memory, Lite-On 24X DVD-RW, 1TB Seagate EC3.5v5 Hard Drive, Windows 7 Professional Embedded, EASE Software Tools, System Burn-in, Rackmount Kit, Branded Video Library Design, Branded Player Design, Content Migration from Previous Vendor for past 9 Years, Remote Installation and Swagit's 3 Year Full System Warranty.		

Streaming Video Monthly Managed Services

Item Description	Monthly Cost
Package 2: Up To 60 Indexed Meetings per year (EASE) - Includes Media On-Demand, 24/7 LIVE Stream, Sound Search and up to 120 hours of additional specialty content per year (No staff involvement—Hands Free).	\$1,920.83
With Remote Switching Included (Up To 60 Meetings per year)	

Optional Services/Overages/Individual Pricing

Item Description	Cost
Each Additional Indexed On-Demand Meeting	\$150.00
Programming, Development or Design Implementation	\$150.00/hour
Each Additional Remotely Switched Meeting or Event	\$175.00

Broadcast System- Avior



Built upon years of industry experience, Avior is a complete package of cameras and pro video-switching equipment that enables any client to fully outsource the production and operation of a multiple camera broadcast system to Swagit.

During the meetings or events, Swagit personnel will operate the Avior system remotely from their facility in Dallas, Texas. The Avior system enables Swagit to control and switch from camera to camera depending on events taking place. When bundled with Swagit EASE, Avior can offer a full end-to-end "hands-free" solution that requires no client staff

involvement for the operation, broadcast and streaming of an event or meeting content.

Avior enables detailed direct camera positioning (pan, tilt, zoom, focus, and more), preset-positions, and video settings (white balance, backlight, brightness) for the robotic cameras. Additionally, Avior communicates with the switcher to allow direct operation of the 'wipe' function from the camera control GUI. With this powerful package you or Swagit can control all your cameras individually and switch video sources on a video switcher locally or remotely. Avior is an invaluable integration of camera-control with switcher operations for use with live production setups like chambers, churches, meeting rooms, and more.



Avior includes 2-4+ HD robotic (computer-controllable pan/tilt/zoom) cameras. These popular robotic cameras have excellent video quality and performance. They have the ability for panning through wide angles of motion, tilting through large ranges with superb optical zoom, and dual video output via SDI and HDMI. They also support both RS232 and RS422 control signals. In addition the cameras can be mounted either 'up' or 'hanging upside down' for your convenience (they have built-in reversal of the picture and left/right/up/down motion controls).

Investment – Avior Broadcast System

QTY	Item Description	Price
3	HD PTZ Camera	
3	Camera Power Connectors	
3	Camera Mounts	
4	Sony- EVI DS-Cable- to daisy chain cameras	
1	EASE-C	
1	BM Studio HD Live Production Switcher with Multi-View Monitor	
1	BM HyperDeck Studio Mini with SD cards	
1	Mini Converter SDI Distribution and Bi-Directional HDMI	
1	Avior Control Software	
1	PDU Remote Power Switch and Management including Battery Backup	
1	Control Monitors	
1	Presentation Converter/Scaler	
1	CG for Video Graphics/Titles Overlay	
1	Cables, Connectors, Converters, 16U Rack and Hardware necessary for installation	
1	Labor & travel required to install, hook-up and provisioning	
Total Cost for Camera System & Installation		\$34,950.00

Cameras can be controlled locally by the client or remotely by Swagit's staff.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City, 1) authorizing the filing of eleven (11) grant applications through the San Diego Associations of Governments (SANDAG) Active Transportation Grant Program (ATGP) and Smart Growth Incentive Progr

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.:

ITEM TITLE:

Resolution of the City Council of the City of National City, 1) authorizing the filing of eleven (11) grant applications through the San Diego Associations of Governments' (SANDAG) Active Transportation Grant Program (ATGP) and Smart Growth Incentive Program (SGIP); 2) accepting the terms of the grant agreements; 3) committing to providing the local match amounts identified for each project if grant awards are made by SANDAG; and 4) authorizing the City Manager or designee to execute the grant agreements if selected for funding.

PREPARED BY: Jose Lopez, Assistant Engineer – Civil
PHONE: 619-336-4312

DEPARTMENT: Engineering and Public Works
APPROVED BY: 

EXPLANATION:

See attached explanation.

FINANCIAL STATEMENT:

APPROVED: _____ **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

If grant funds are awarded, staff will return to City Council in FY 2019 to accept the grants and appropriate funds. See attached Explanation for proposed source of local matching funds.

ENVIRONMENTAL REVIEW:

CEQA Notice of Categorical Exemption for each project will be filed with County Recorder's Office prior to stating construction.

ORDINANCE: INTRODUCTION ☐ FINAL ADOPTION ☐

STAFF RECOMMENDATION:

Adopt Resolution, 1) authorizing the filing of eleven (11) grant applications through the SANDAG's ATGP and SGIP; 2) accepting the terms of the grant agreements; 3) committing to providing the local match amounts identified for each project if grant awards are made by SANDAG; and 4) authorizing the City Manager or designee to execute the grant agreements if selected for funding.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Explanation
2. Sample Grant Agreement
3. Resolution

Explanation

Staff is requesting City Council support for submittal of eleven (11) grant applications through the San Diego Associations of Governments' (SANDAG) Active Transportation Grant Program (ATGP) and Smart Growth Incentive Program (SGIP).

Per SANDAG, the SGIP and ATGP goals are as follows:

The goal of the SGIP is to fund comprehensive public infrastructure projects and planning activities that facilitate compact, mixed-use, transit-oriented development and increase housing and transportation choices.

The goal of the ATGP is to encourage local jurisdictions to plan and build facilities that promote multiple travel choices and increase connectivity to transit, schools, retail centers, parks, work, and other community gathering places. The grant program also encourages local jurisdictions to provide bike parking, education, encouragement, and awareness programs that support pedestrian and bike infrastructure.

A brief project description and local match requirement for each project is provided below.

1) 8th St Transit Center Mobility Hub - SGIP

The proposed project will implement the recommended mobility hub features identified in the SANDAG Regional Mobility Hub Implementation Strategy (2017) for the 8th Street Transit Center. The features include enhanced transit waiting areas, passenger loading zones, bikeshare, on-demand rideshare, microtransit, electrical vehicle charging, and mobile retail services. These features will be implemented to the extent possible. The project will also construct streetscape improvements on 8th Street, pedestrian improvements at the intersection of Harbor Drive and 8th Street, and a new pedestrian and bike connection to Naval Base San Diego.

Project Funding Summary		
Total project cost	\$2,176,945	
Total grant amount requested	\$2,175,945	
Total local match amount / proposed funding source	\$1,000	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

2) 24th St Transit Oriented Development Overlay - SGIP

The project would comprehensively analyze the study area surrounding the 24th St Transit Center to plan a new vision for the area to include transit-supportive land use, improved mobility and parking options, and an enhanced public realm.

The project will result in a general plan amendment, rezone, smart growth and public mobility improvements, and a program-level environmental clearance.

Project Funding Summary		
Total project cost	\$560,000	
Total grant amount requested	\$500,000	
Total local match amount / proposed funding source	\$60,000	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

3) National City Bicycle Parking Enhancements - ATGP

The proposed project will install custom bike corrals throughout the city. The corrals will consist of a 12-foot by 6-foot concrete pad with custom bookend bike racks. The design intent is to provide bike parking for cyclists using their own bikes (i.e. bookend bike racks), while providing space between bookend bike racks for dockless bike share bikes. The proposed project will address the need for quality end-of-trip facilities and encourage people to bike to their key destinations.

Project Funding Summary		
Total project cost	\$62,500	
Total grant amount requested	\$50,000	
Total local match amount / proposed funding source	\$12,500	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

4) Citywide Bicycle Wayfinding - ATGP

The project includes the installation of over 100 bicycle wayfinding signs along eleven miles of existing and proposed bicycle facilities throughout National City. The project will raise awareness of the bicycle network and encourage bicycle riding by clarifying navigation to transit and everyday destinations along designated bike routes. The signage will comply with SANDG's Go By Bike Wayfinding Design Guidelines.

Project Funding Summary		
Total project cost	\$827,800	
Total grant amount requested	\$826,800	
Total local match amount / proposed funding source	\$1,000	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

5) Division Street – Euclid Avenue to Harbison Avenue Bicycle Improvements - ATGP

The project will build upon the recently constructed (State ATP Cycle 1 funded) Division Street Road Diet project by completing a road diet from Euclid Avenue to Harbison Avenue. The project will reduce street width from four lanes to two with a center turning lane; the project will also install Class II buffered bike lanes on each side of the road while maintaining parking; and will add a pedestrian crossing with curb-extensions and LED Illuminated signs at the intersection of Division Street and Drexel Avenue.

Project Funding Summary		
Total project cost	\$412,000	
Total grant amount requested	\$312,000	
Total local match amount / proposed funding source	\$100,000	FY 2018 CIP for Traffic Monitoring / Safety Enhancements (109-409-500-598-6573)

6) Highland Ave Mobility Mini-Hubs - SGIP

The proposed project will implement Mobility Mini Hubs at the fourteen (14) busiest bus stops along Highland Avenue, as measured by average daily boardings. Each of the fourteen stops will receive a suite of enhancements that are applicable to the particular stop's location, surrounding context, and available space. Features will include Wi-Fi along the corridor, device charging ports, pedestrian-scale lighting, and enhanced transit waiting areas, intersection safety improvements, bike parking, bike fixit stations, and flexible curb space allocation for kiss-and-ride and shared mobility devices. These features will be implemented to the extent possible.

Project Funding Summary		
Total project cost	\$1,864,665	
Total grant amount requested	\$1,863,665	
Total local match amount / proposed funding source	\$1,000	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

7) National City Boulevard Inter-City Bike Connection – ATGP

The proposed project will provide nearly 0.2 miles of enhanced (buffered) bike lanes along 33rd St from Hoover Ave to National City Blvd. The project will implement nearly 0.4 miles of class II facilities along National City Blvd from 33rd St to C Street at the southern city limit with City of Chula Vista. The project will include traffic calming features, decreased lane widths, bike/pedestrian improvements at freeway on/off ramps, bike boxes, lighting, and pedestrian safety enhancements. The project will improve the safety for people walking and biking.

Project Funding Summary		
Total project cost	\$395,001	
Total grant amount requested	\$394,001	
Total local match amount / proposed funding source	\$1,000	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

8) Roosevelt Avenue Corridor Smart Growth Revitalization Plan - SGIP

This project proposes to provide streetscape, lighting, signage, mobility options, urban greening, storm water runoff and parking to encourage adjacent development and to improve this high visibility edge of downtown as seen from I-5. The project will eventually support a multi-use path, shuttle system & angled parking on the west side.

Project Funding Summary		
Total project cost	\$2,705,000	
Total grant amount requested	\$2,080,000	
Total local match amount / proposed funding source	\$625,000	FY 2020 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

9) Sweetwater Road Protected Bikeway - SGIP

The project will provide nearly 1.2 miles of protected bike facilities along Sweetwater Road and extend the Class 1 bike path on Plaza Bonita Road to Sweetwater Road (0.4 miles). The project will include a road diet, bicycle-friendly intersection improvements, and pedestrian enhancements. The proposed bicycle facilities will directly link the City's bike network to the regional network.

Project Funding Summary		
Total project cost	\$2,778,906	
Total grant amount requested	\$2,500,000	
Total local match amount / proposed funding source	\$278,906	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

10) Waterfront-Homefront Connectivity Study - ATGP

The "Waterfront to Homefront Connectivity" study will take a holistic look at connections between the people of National City and the waterfront. The I-5 corridor and the "Waterfront" industrial areas have been a barrier to free movement from the "Homefront" of the residents in National City to destinations of employment and recreation. The study will look at connecting transit, bike and walking facilities with new technologies of carshare, bikeshare, neighborhood electric vehicles, shuttles, electric bikes & ride hailing to lower greenhouse gas emissions and vehicle-miles traveled.

Project Funding Summary		
Total project cost	\$220,000	
Total grant amount requested	\$198,000	
Total local match amount / proposed funding source	\$22,000	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

11) Wayfinding and Urban Trails - SGIP

The project will design and implement a comprehensive wayfinding signage program for National City to inform residents and guests of key points of interest. The project includes the installation of new wayfinding/gateway signs on the main corridors of National City located in existing/planned Smart Growth Opportunity Areas such as Highland Avenue, 8th Street, 18th Street, and 30th Street.

Project Funding Summary		
Total project cost	\$1,377,948	
Total grant amount requested	\$1,376,948	
Total local match amount / proposed funding source	\$1,000	FY 2019 CIP for Traffic Monitoring / Safety Enhancements (001-409-500-598-6573)

The grant requires City Council Resolution in support of the project applications and authorization for the City Manager or designee to execute the grant agreements if selected for funding. If grant funds are awarded, staff will return to City Council to accept the grants and establish appropriation of revenues and expenditures.

It shall be noted that the Grant Agreement contains provisions required by SANDAG, which have been reviewed and accepted by staff. While one such provision is a "hold harmless" provision, staff has determined that risk to the City is minimal since SANDAG's involvement in these grant-funded project is limited to accounting processes and financial audits.

GRANT AGREEMENT TEMPLATE *for Information Only*

SELECT APPLICABLE PROGRAM:

***TransNet SMART GROWTH INCENTIVE PROGRAM – CAPITAL / PLANNING
OR TransNet SMART GROWTH INCENTIVE PROGRAM – CLIMATE ACTION PLAN
OR TransNet SMART GROWTH INCENTIVE PROGRAM – COMPLETE STREETS POLICY
OR TransNet ACTIVE TRANSPORTATION GRANT PROGRAM – CAPITAL / NON-CAPITAL***

FOURTH FUNDING CYCLE

**GRANT AGREEMENT AGREEMENT NUMBER BETWEEN
THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND
INSERT JURISDICTION NAME
REGARDING INSERT FULL PROJECT TITLE**

THIS GRANT AGREEMENT Agreement Number (Agreement) is made this Day day of Month, 2018, by and between the San Diego Association of Governments, 401 B Street, Suite 800, San Diego, California, hereinafter referred to as SANDAG, and the Grant Recipient and Address, hereinafter referred to as Grantee. SANDAG and Grantee are hereinafter collectively referred to as the Parties. This agreement expires on Month Day, Year.

Note to Grant Recipient: This Agreement Template covers provisions for the Smart Growth Incentive Program (SGIP) – Capital and Planning; SGIP – Climate Action Plan (CAP); SGIP – Complete Streets Policy; and Active Transportation Grant Program (ATGP) – Capital and Non-Capital grant programs. Prior to contract execution, the Grant Agreement will be tailored to reflect the applicable grant program.

The following recitals are a substantive part of this Agreement:

Smart Growth Incentive Program, SGIP-Climate Action Plan Grant Program, and SGIP-Complete Streets Policy Grant Program Recitals:

- A.** The SANDAG Board of Directors allocates funds under the *TransNet* local sales tax program to support local transportation-related infrastructure projects in the San Diego region through a competitive process.
- B.** The *TransNet* Extension Ordinance contains provisions to fund the Smart Growth Incentive Program (SGIP) for which funding began on April 1, 2008. The SGIP encompasses projects that better integrate transportation and land use and recognizes the comprehensive effort to integrate smart growth place making, access to transit, and environmental justice.
- C.** In January 2010, the SANDAG Board of Directors approved Board Policy No. 035: Competitive Grant Program Procedures, which is included as Attachment B. This Grant Award, Agreement and the Grantee's performance thereunder are subject to Board Policy No. 35, which includes multiple "use it or lose it" provisions.
- D.** On December 15, 2017, SANDAG issued a call for projects from local jurisdictions in San Diego County wishing to apply for a portion of the *TransNet* SGIP funds for use on capital improvement and planning projects meeting certain criteria, and authorizing up to \$1 million

from the SGIP to be used for the development of climate action plans and complete streets policies through two new subprograms.

- E. On Month, Day, Year, the SANDAG Board of Directors approved a list of recommended SGIP, SGIP-Climate Action Plan, or SGIP-Complete Streets projects for the fourth competitive grant cycle, and one of those projects is the subject of this Agreement. The Scope of Work, Project Schedule, and Approved Project Budget are included as Attachment A.
- F. Grantee's Project is funded with dollar amount in *TransNet* SGIP funds and is included in the Regional Transportation Improvement Plan (RTIP). The *TransNet* MPO ID for the Project is ID number.
- G. The purpose of this Agreement is to establish the terms and conditions for SANDAG to provide Grantee with funding to implement the Project.
- H. Although SANDAG will be providing financial assistance to Grantee to support the Project, SANDAG will not take an active role or retain substantial control of the Project. Therefore, this Agreement is characterized as a funding agreement rather than a cooperative agreement.
- I. Grantee understands that *TransNet* funds derive from retail transactions and use tax revenues which fluctuate. The SANDAG funding commitment to SGIP Projects, including this Project, is subject to these fluctuations, which may impact funding availability for this Project.

Active Transportation Grant Program Recitals:

- A. The SANDAG Board of Directors allocates funds under the *TransNet* local sales tax program and the Transportation Development Act (TDA) to support local bicycle and pedestrian transportation projects in the San Diego region through a competitive process.
- B. The *TransNet* Extension Ordinance contains provisions to fund the Bicycle, Pedestrian, and Neighborhood Safety Program (BPNSP) for which funding began on July 1, 2008. The BPNSP encompasses bicycle and pedestrian travel projects and recognizes the comprehensive effort to integrate smart growth place making, access to transit and environmental justice.
- C. Article 3 of the TDA provides funding for Bicycle and Pedestrian Facilities and Programs.
- D. Together the *TransNet* BPNSP and TDA Article 3 funding are commonly referred to as the SANDAG *TransNet* Active Transportation Grant Program (ATGP).
- E. In January 2010, the SANDAG Board of Directors approved Board Policy No. 035: Competitive Grant Program Procedures, which is included as Attachment B. This Grant Award, Agreement and the Grantee's performance thereunder are subject to Board Policy No. 035, which includes multiple "use it or lose it" provisions.
- F. On December 15, 2017, SANDAG issued a call for projects from local jurisdictions in San Diego County wishing to apply for SANDAG ATGP funds for use on capital improvement and planning projects meeting certain criteria.
- G. On Month, Day, Year, the SANDAG Board of Directors approved a list of recommended ATGP projects for the fourth competitive grant cycle, and one of those projects is the subject of this

Agreement. The Scope of Work, Project Schedule, and Approved Project Budget are included as Attachment A.

- H. The SANDAG Board of Directors approved programming of approximately \$3.6 million in TDA funds on Month, Day, Year, by Resolution Number Resolution Number.
- I. Grantee's Project is funded with dollar amount in ATGP funds, which includes dollar amount in *TransNet* BPNSP funds and is included in the Regional Transportation Improvement Plan (RTIP), and dollar amount in TDA funds. The *TransNet* MPO ID for the Project is ID number and the TDA Claim Number is ID number.
- J. The purpose of this Agreement is to establish the terms and conditions for SANDAG to provide Grantee with funding to implement the Project.
- K. Although SANDAG will be providing financial assistance to Grantee to support the Project, SANDAG will not take an active role or retain substantial control of the Project. Therefore, this Agreement is characterized as a funding agreement rather than a cooperative agreement.
- L. Grantee understands that *TransNet* funds derive from retail transactions and use tax revenues which fluctuate. SANDAG's funding commitment to ATGP Projects, including this Project, is subject to these fluctuations, which may impact funding availability for this Project.

I. GRANT AWARD

- A. The total amount payable to Grantee pursuant to this Agreement by SANDAG shall be the proportion of actual Project costs allocated to grant funding in the Approved Project Budget and shall not exceed the grant award of dollar amount.
- B. It is agreed and understood that this Agreement fund limit is a ceiling and that SANDAG will only reimburse the allowable cost of services actually rendered as authorized by SANDAG at or below that fund limitation established herein.

II. APPROVED PROJECT BUDGET

Except to the extent that SANDAG determines otherwise in writing, the Grantee agrees as follows: The Grantee and SANDAG have agreed to a Project budget that is designated the "Approved Project Budget." The Grantee and/or third-party contractor(s) will incur obligations and make disbursements of Project funds only as authorized by the Approved Project Budget. An amendment to the Approved Project Budget requires the issuance of a formal amendment to the Agreement per Board Policy No. 035, unless the re-allocation of funds among budget items or fiscal years does not increase the total amount of the funding awarded for the Project, does not negatively impact the benefits obtained from the Project, and is consistent with applicable laws, regulations, and policies. Prior written SANDAG Project Manager approval is required for transfers of funds between approved project budget line items.

III. MATCHING FUNDS

Grantee agrees to provide matching funds in an amount of dollar amount percent of the actual cost of the Project, estimated to be dollar amount based on the Approved Project Budget. If the actual cost of the Project exceeds the Project budget, Grantee is responsible for 100 percent of the actual cost greater than the budgeted cost.

A. Availability of Grant Funding

Except where expressly allowed in writing herein, reimbursement of credits for local matching funds will be made or allowed only for work performed on and after the Notice to Proceed date and prior to the termination date of this Agreement, unless expressly permitted by SANDAG, in writing.

B. Reduction of Matching Funds

The Grantee agrees that no refund of, or reduction in, the amount of matching funds may be made unless a reduction of the proportional share of the grant funding provided under this Agreement also is made to SANDAG.

C. Prompt Payment of Matching Funds

The Grantee agrees to complete all proceedings necessary to provide its share of the Project costs at or before the time the matching funds are needed for Project costs. The Grantee agrees to provide not less than its required match amount of Project costs on a proportional basis as Project costs are incurred and coinciding with usual invoicing. Each of Grantee's invoices must include its proportional matching fund contribution, along with supporting, descriptive and/or explanatory documentation for the matching funds provided such that the Grantee maintains a cumulative match percentage no less than the required match percentage as specified above.

IV. PROJECT MANAGERS

Grantee's Project Manager is Project Manager.

The SANDAG Project Manager is Tracy Ferchaw.

Project manager continuity and experience is deemed essential in Grantee's ability to carry out the project in accordance with the terms of this Agreement. Grantee shall not change the project manager without first providing written notice to SANDAG.

V. NOTICE

All notices required to be given, by either party to the other, shall be deemed fully given when made in writing and received by the parties at their respective addresses:

San Diego Association of Governments
Attention: Tracy Ferchaw
401 B Street, Suite 800
San Diego, CA 92101

Grantee:
Jurisdiction Name
Attention: Project Manager
Address
City, CA, ZIP

VI. PROJECT IMPLEMENTATION

A. General

The Grantee agrees to carry out the Project as follows:

1. **Project Description.** Grantee agrees to perform the work as described in the Scope of Work included as Attachment A.
2. **Effective Date.** The effective date of this Agreement or any amendment hereto is the date on which this Agreement or an amendment is fully executed. The Grantee agrees to undertake Project work promptly after receiving a Notice to Proceed from SANDAG.
3. **Grantee's Capacity.** The Grantee agrees to maintain or acquire sufficient legal, financial, technical, and managerial capacity to: (a) plan, manage, and complete the Project as described in Attachment A and provide for the use of any Project property; (b) carry out the safety and security aspects of the Project; and (c) comply with the terms of the Agreement and all applicable laws, regulations, and policies pertaining to the Project and the Grantee, including but not limited to the *TransNet* Extension Ordinance and Board Policy No. 035.
4. **Project Schedule.** The Grantee agrees to complete the Project according to the Project Schedule included in Attachment A and in compliance with Board Policy No. 035, as amended, and included as Attachment B.
5. **Project Implementation and Oversight.** Grantee agrees to comply with the Project Implementation and Oversight Requirements, included as Attachment C, and Board Policy No. 035, as amended.
6. **Changes to Project's Scope of Work.** This Agreement was awarded to Grantee based on the application submitted by Grantee with the intention that the awarded funds would be used to implement the Project as described in the Scope of Work (included in Attachment A). Any substantive deviation from Grantee's Scope of Work during project implementation may require reevaluation or result in loss of funding. If Grantee knows or should have known that substantive changes to the Project will occur or have occurred, Grantee will immediately notify SANDAG in writing. SANDAG will then determine whether the Project is still consistent with the overall objectives of the grant program and whether the changes would have negatively affected the Project ranking during the competitive grant evaluation process. SANDAG reserves the right to have grant funding withheld from Grantee, or refunded to SANDAG, due to Grantee's failure to satisfactorily complete the Project or due to substantive changes to the Project.
7. **Media and Community Outreach Coordination.** The Grantee agrees to notify and/or assist SANDAG of/with any media and community outreach efforts, including presentations to community groups, other agencies, and elected officials and/or community events related to the Project, such as ground breaking and ribbon cutting activities. Press materials shall be provided to SANDAG staff for review before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral based on SANDAG logo usage guidelines provided by SANDAG, but may never be included in such documents without advance approval from SANDAG.

As part of the quarterly reports submitted to SANDAG, the Grantee agrees to provide project milestone information to support media outreach and communications efforts. This includes project photos taken throughout the project at program events or as part of project tasks. The photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate. SANDAG reserves the right to use the information provided by the Grantee for any combination of the following, including but not limited to: social media posts, online photo albums, videos, press releases, PowerPoint presentations, web updates, newsletters, and testimonials. In submitting photos to SANDAG, the Grantee agrees that the photos have been obtained with the consent of all persons featured in the photo (or that of a parent or guardian of persons under the age of 18) using the SANDAG Photo and Testimonial Release form to be provided by SANDAG, or a similar release form developed by Grantee and agreed upon by SANDAG, and to release the rights of the photos to SANDAG for its use.

8. Project Signage and Designation of *TransNet* Funded Facilities. Each capital project of \$250,000 or more funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by revenues from the *TransNet* Extension Ordinance.

Grantee agrees to follow the project signage specifications and to install appropriately sized signs in the quantity called for by the *TransNet* Signage Guide (provided by SANDAG). Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before production.

9. Baseline Data Collection. For capital projects, Grantee is required to coordinate with SANDAG staff on the development of a baseline data collection plan in accordance with the Project Implementation and Oversight Requirements.

B. Application of Laws

Should a federal or state law pre-empt a local law, regulation, or the *TransNet* Extension Ordinance, the Grantee must comply with the federal or state law and implementing regulations. No provision of this Agreement requires the Grantee to observe or enforce compliance with any provision, perform any other act, or do any other task in contravention of federal, state, territorial, or local law, regulation, or ordinance. If compliance with any provision of this Agreement violates or would require the Grantee to violate any law, the Grantee agrees to notify SANDAG immediately in writing. Should this occur, SANDAG and the Grantee agree that they will make appropriate arrangements to proceed with or, if necessary, terminate the Project or affected portions thereof expeditiously.

C. Changes in Project Performance

The Grantee agrees to notify SANDAG immediately, in writing, of any change in local law, conditions (including its legal, financial, or technical capacity), or any other event that may adversely affect the Grantee's ability to perform the Project in accordance with the terms of the Agreement and as required by Board Policy No. 035. The Grantee also agrees to notify SANDAG immediately, in writing, of any current or prospective major dispute, breach, default, or litigation that may adversely affect SANDAG's interests in the Project; and agrees to inform

SANDAG, also in writing, before naming SANDAG as a party to litigation for any reason, in any forum. At a minimum, the Grantee agrees to send each notice to SANDAG required by this subsection to SANDAG's Office of General Counsel.

D. Notice Regarding Prevailing Wages

This Project is funded in whole or in part by *TransNet* revenues consistent with the *TransNet* Extension Ordinance adopted by the voters in November 2004 (SANDAG Ordinance 04-01). Although SANDAG Ordinance 04-01 does not require payment of prevailing wages, California law may require that Grantee's public works projects pay prevailing wages for workers. Grantee acknowledges that SANDAG has strongly encouraged Grantee to seek legal counsel regarding whether the Project will be subject to prevailing wage laws consistent with Labor Code Section 1720, *et seq.* This Agreement requires Grantee's compliance with all federal, state, and local laws and ordinances as applicable.

E. Standard of Care

Grantee expressly warrants that the work to be performed pursuant to this Agreement shall be performed in accordance with the applicable standard of care. Where approval by SANDAG, its Executive Director, or other representative of SANDAG is indicated in the Scope of Work, it is understood to be conceptual approval only and does not relieve the Grantee of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the Grantee or its subgrantees.

F. Third-Party Contracting

Although the Grantee may delegate any or almost all Project responsibilities to one or more third-party contractors, the Grantee agrees that it, rather than any third-party contractor, is ultimately responsible for compliance with all applicable laws, regulations, and this Agreement.

1. **Competitive Procurement.** Grantee shall not award contracts over \$3,000 on the basis of a noncompetitive procurement for work to be performed under this Agreement without the prior written approval of SANDAG. Contracts awarded by Grantee, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.

If Grantee hires a third-party contractor to carry out work funded under this Agreement, Grantee shall: prepare an Independent Cost Estimate prior to soliciting proposals/bids; publicly advertise for competing proposals/bids for the work; for professional services, use cost as an evaluation factor in selecting the third-party contractor and for construction services, award the work to the lowest responsive and responsible bidder; document a Record of Negotiation establishing that the amount paid by Grantee for the work is fair and reasonable; and pass through the relevant obligations in this Agreement to the contractor.

2. **Debarment.** Grantee shall execute and cause their third-party contractors to execute debarment and suspension certificates stating they have not been disqualified from doing business with government entities.

3. **Flowdown.** Grantee agrees to take appropriate measures necessary, including the execution of a subagreement, lease, third-party contract, or other, to ensure that all Project participants, including alternate payees or third-party contractors at any tier, comply with all applicable federal laws, regulations, policies affecting Project implementation and Agreement requirements. In addition, if an entity other than the Grantee is expected to fulfill any responsibilities typically performed by the Grantee, the Grantee agrees to assure that the entity carries out the Grantee's responsibilities as set forth in this Agreement.
4. **No SANDAG Obligations to Third-Parties.** In connection with the Project, the Grantee agrees that SANDAG shall not be subject to any obligations or liabilities to any subgrantee, lessee, third-party contractor at any tier or other person or entity that is not a party to the Agreement for the Project. Notwithstanding that SANDAG may have concurred in or approved any solicitation, subagreement, lease, alternate payee designation, or third-party contract at any tier, SANDAG has no obligations or liabilities to any entity other than the Grantee.
5. **Equipment Purchases.** Grantee shall maintain ownership of any equipment purchased using Agreement funding and shall use such the equipment only for the purposes set forth in this Agreement. The parties agree to meet and confer in good faith to ensure the continued use of the equipment for the purposes intended, which may include reimbursement to SANDAG when the fair market value of the equipment at Project completion exceeds \$5,000.

SANDAG and Grantee agree that Grantee shall keep an inventory record for each piece of equipment purchased under this Agreement and maintain each piece of equipment in good operating order consistent with the purposes for which they were intended. SANDAG shall have the right to conduct periodic maintenance inspections for the purpose of confirming the existence, condition, and proper maintenance of the equipment.

VII. ETHICS

A. Grantee Code of Conduct/Standards of Conduct

The Grantee agrees to maintain a written code of conduct or standards of conduct that shall govern the actions of its officers, employees, council or board members, or agents engaged in the award or administration of subagreements, leases, or third-party contracts supported with grant funding. The Grantee agrees that its code of conduct or standards of conduct shall specify that its officers, employees, council or board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential subgrantee, lessee, or third-party contractor at any tier or agent thereof. The Grantee may set *de minimis* rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. The Grantee agrees that its code of conduct or standards of conduct shall also prohibit its officers, employees, board members, or agents from using their respective positions in a manner that presents a real or apparent personal or organizational conflict of interest or personal gain. As permitted by state or local law or regulations, the Grantee agrees that its code of conduct or standards of conduct shall include penalties,

sanctions, or other disciplinary actions for violations by its officers, employees, council or board members, or their agents, or its third-party contractors or subgrantees or their agents.

B. Personal Conflicts of Interest

The Grantee agrees that its code of conduct or standards of conduct shall prohibit the Grantee's employees, officers, council or board members, or agents from participating in the selection, award, or administration of any third-party contract or subagreement supported by grant funding if a real or apparent conflict of interest would be involved. Such a conflict would arise when an employee, officer, board member, or agent, including any member of his or her immediate family, partner, or organization that employs, or intends to employ, any of the parties listed herein has a financial interest in a firm competing for award.

C. Organizational Conflicts of Interest

The Grantee agrees that its code of conduct or standards of conduct shall include procedures for identifying and preventing real and apparent organizational conflicts of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract or subagreement may, without some restrictions on future activities, result in an unfair competitive advantage to the third-party contractor or subgrantee or impair its objectivity in performing the contract work.

D. SANDAG Code of Conduct

SANDAG has established policies concerning potential conflicts of interest. These policies apply to Grantee. For all awards by SANDAG, any practices which might result in unlawful activity are prohibited including, but not limited to, rebates, kickbacks, or other unlawful considerations. SANDAG staff members are specifically prohibited from participating in the selection process when those staff have a close personal relationship, family relationship, or past (within the last 12 months), present, or potential business or employment relationship with a person or business entity seeking a contract with SANDAG. It is unlawful for any contract to be made by SANDAG if any individual Board member or staff has a prohibited financial interest in the contract. Staff also are prohibited from soliciting or accepting gratuities from any organization seeking funding from SANDAG. SANDAG's officers, employees, agents, and board members shall not solicit or accept gifts, gratuities, favors, or anything of monetary value from consultants, potential consultants, or parties to subagreements. By signing this Agreement, Grantee affirms that it has no knowledge of an ethical violation by SANDAG staff or Grantee. If Grantee has any reason to believe a conflict of interest exists with regard to the Agreement or the Project, it should notify the SANDAG Office of General Counsel immediately.

E. Bonus or Commission

The Grantee affirms that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its grant funding application for the Project.

F. False or Fraudulent Statements or Claims

The Grantee acknowledges and agrees that by executing the Agreement for the Project, the Grantee certifies or affirms the truthfulness and accuracy of each statement it has made, it

makes, or it may make in connection with the Project, including, but not limited to, the Grantee's grant application, progress reports and invoices.

VIII. PAYMENTS

A. Method of Payment

The method of payment for this Agreement will be based upon actual allowable costs described herein.

B. Alternate Payee

If the Grantee designates a party as an Alternate Payee, Alternate Payee is authorized to submit payment requests directly to SANDAG to receive reimbursement for allowable Project costs. This does not alleviate Grantee from all obligations under this Grant Agreement.

C. Invoicing

Grantee or Alternate Payee is required to submit invoices quarterly. Invoices must be accompanied by a quarterly report (template to be provided by SANDAG). SANDAG will make payments for eligible amounts to Grantee or Alternate Payee as promptly as SANDAG fiscal procedures permit upon receipt of Grantee's or Alternate Payee's itemized signed invoice(s). SANDAG shall retain 10 percent from the amounts invoiced until satisfactory completion of work. SANDAG shall promptly pay retention amounts to Grantee or Alternate Payee following satisfactory completion of work, receipt of final invoice, and all required documentation.

D. Eligible Costs

The Grantee agrees that Project costs eligible for grant funding must comply with the following requirements, unless SANDAG determines otherwise in writing. To be eligible for reimbursement, Project costs must be:

1. Consistent with the Project Scope of Work, the Approved Project Budget, and other provisions of the Agreement.
2. Necessary in order to accomplish the Project.
3. Reasonable for the goods or services purchased.
4. Actual net costs to the Grantee (i.e., the price paid minus any refunds, rebates, or other items of value received by the Grantee that have the effect of reducing the cost actually incurred, excluding program income). Project generated revenue realized by the Grantee shall be used in support of the Project. Project generated revenue and expenditures, if any, shall be reported at the end of the Agreement period.
5. Incurred for work performed on or after the SANDAG Notice to Proceed date, and before the termination date, and also must have been paid for by the Grantee.
6. Satisfactorily documented with supporting documentation, which is to be submitted with each invoice.

7. Treated consistently in accordance with generally accepted accounting principles and procedures for the Grantee and any third-party contractors and subgrantees, (see Section entitled "Accounting Records").
8. Eligible for grant funding as part of the grant program through which the funds were awarded.
9. Indirect Costs are only allowable with prior SANDAG approval. Grantee must submit the following documentation as part of the grant application materials: (1) an indirect cost allocation audit approved by a qualified independent auditor or (2) the applicant's proposed method for allocating indirect costs in accordance with federal guidelines. Indirect cost allocation plans must be reviewed and renewed annually.

E. Excluded Costs

Certain costs associated with bike and pedestrian projects that do not directly benefit people walking and biking are ineligible. These ineligible expenses include, but are not limited to: curb, gutter, and other drainage improvements; newly installed driveway ramps; roadway shoulders, where roadway design standards require a roadway shoulder width at least as wide as would be required for a standard bike lane; and any required element under a different capital improvement project other than the Project. Expenses related to the replacement of existing infrastructure as a result of Project work may be eligible for reimbursement, but Grantee will be required to justify the necessary inclusion of such improvements prior to requesting reimbursement.

The Grantee understands and agrees that payment to the Grantee for any Project cost does not constitute SANDAG's final decision about whether that cost is allowable and eligible for payment under the Project and does not constitute a waiver of any violation by the Grantee of the terms of this Agreement or Board Policy No. 035. The Grantee acknowledges that SANDAG will not make a final determination about the allowability and eligibility of any cost until the final payment has been made on the Project or the results of an audit of the Project requested by SANDAG or its Independent Taxpayers' Oversight Committee (ITOC) has been completed, whichever occurs latest. If SANDAG determines that the Grantee is not entitled to receive any portion of the grant funding requested or paid, SANDAG will notify the Grantee in writing, stating its reasons. The Grantee agrees that Project closeout will not alter the Grantee's responsibility to return any funds due to SANDAG as a result of later refunds, corrections, performance deficiencies, or other similar actions; nor will Project closeout alter SANDAG's right to disallow costs and recover funds provided for the Project on the basis of a later audit or other review. Upon notification to the Grantee that specific amounts are owed to SANDAG, whether for excess payments of grant funding, disallowed costs, or funds recovered from third parties or elsewhere, the Grantee agrees to promptly remit to SANDAG the amounts owed, including applicable interest, penalties and administrative charges.

IX. ACCOUNTING, REPORTING, RECORD RETENTION, AND ACCESS

A. Project Accounts

The Grantee and/or Alternate Payee agree to establish and maintain for the Project either a separate set of accounts or separate accounts within the framework of an established accounting system that can be identified with the Project. The Grantee and/or Alternate

Payee also agree to maintain documentation of all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents related in whole or in part to the Project so that they may be clearly identified, readily accessible, and available to SANDAG upon request and, to the extent feasible, kept separate from documents not related to the Project.

B. Reports

The Grantee agrees to submit to SANDAG all reports required by law and regulation, policy, this Agreement, and any other reports SANDAG may specify. SANDAG reserves the right to specify that records be submitted in particular formats.

C. Quarterly Reports

Grantee shall submit written quarterly reports to SANDAG detailing the progress of its work, expenditures incurred, and information regarding whether the Project is projected to be completed within the limits of the Approved Project Budget, Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. Grantee shall document the progress and results of work performed under this Agreement to the satisfaction of SANDAG. This includes progress and final reports, plans, specifications, estimates, and other evidence of attainment of the Agreement objectives, which are requested by SANDAG or ITOC. Grantee may be required to attend meetings of SANDAG staff and committees, including but not limited to ITOC, the Regional Planning Committee, the Transportation Committee, and the SANDAG Board of Directors, to report on its progress and respond to questions.

D. Record Retention

During the course of the Project and for three years thereafter from the date of transmission of the final expenditure report, the Grantee agrees to maintain, intact and readily accessible, all communications, data, documents, reports, records, contracts, and supporting materials relating to the Project, as SANDAG may require. All communications and information provided to SANDAG become the property of SANDAG and public records, as such, may be subject to public review. Please see SANDAG's Board Policy 015: Records Management Policy, which is available at www.sandag.org/legal, for information regarding the treatment of documents designated as confidential.

E. Access to Records of Grantees and Subgrantees

The Grantee agrees to permit, and require its subgrantees to permit, SANDAG or its authorized representatives, upon request, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of the Grantee and its subgrantees pertaining to the Project.

F. Communities Served Data and Reporting

If requested, Grantee shall provide SANDAG with data regarding how the Project's benefits and burdens were equitably distributed among socio and economic populations in the area affected by the Project, and associated smart growth data, and/or any other relevant information.

X. PROJECT COMPLETION, AUDIT, SETTLEMENT, AND CLOSEOUT

A. Project Completion

Within 90 calendar days following Project completion or termination by SANDAG, the Grantee agrees to submit a final certification of Project expenses and final reports, as applicable. All payments made to the Grantee shall be subject to review for compliance by SANDAG with the requirements of this Agreement and shall be subject to an audit upon completion of the Project.

B. Project Audit

Note to Grant Recipient: Only the applicable sections will be included.

For TransNet-funded projects:

The Grantee agrees to have financial and compliance audits performed as SANDAG may require consistent with the *TransNet* Extension Ordinance. The Grantee agrees that Project closeout will not alter the Grantee's audit responsibilities. Audit costs are allowable Project costs.

For TDA-funded projects:

The Grantee agrees to have financial and compliance audits performed as SANDAG may require consistent with Public Utilities Code Section 99245, for TDA funds; and consistent with the *TransNet* Extension Ordinance for *TransNet* funds. The Grantee agrees that Project closeout will not alter the Grantee's audit responsibilities. Audit costs are allowable Project costs.

C. Performance Audit

The Grantee agrees to cooperate with SANDAG or ITOC with regard to any performance audit that is performed on the Project pursuant to the *TransNet* Ordinance.

D. Project Closeout

Project closeout occurs when SANDAG notifies the Grantee that SANDAG has closed the Project, and, if applicable, either forwards the final grant funding payment and or acknowledges that the Grantee has remitted the proper refund. The Grantee agrees that Project closeout by SANDAG does not invalidate any continuing requirements imposed by the Agreement or any unmet requirements set forth in a written notification from SANDAG.

E. Project Use

Grantee was awarded this Agreement based on representations in its grant application regarding the Project's intended use. If the Project is a capital project, Grantee hereby commits to continued use of the Project for the purposes stated in its application for a period of at least five years after completion of construction. SANDAG may require Grantee to refund grant funding provided for the Project in the event Grantee fails to use the Project for its intended purposes as stated in the grant application or for any disallowed costs.

XI. TIMELY PROGRESS AND RIGHT OF SANDAG TO TERMINATE

- A.** Grantee shall make diligent and timely progress toward completion of the Project within the timelines set forth in the Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto.
- B.** In the event Grantee encounters or anticipates difficulty in meeting the Project Schedule, the Grantee shall immediately notify the SANDAG Project Manager in writing, and shall provide pertinent details, including the reason(s) for the delay in performance and the date by which Grantee expects to complete performance or delivery. This notification shall be informational in character only and receipt of it shall not be construed as a waiver by SANDAG of a project delivery schedule or date, or any rights or remedies provided by this Agreement, including Board Policy No. 035 requirements.
- C.** Grantee agrees that SANDAG, at its sole discretion, may suspend or terminate all or any part of the grant funding if the Grantee fails to make reasonable progress on the Project and/or violates the terms of the Agreement or Board Policy No. 035, or if SANDAG determines that the purpose of the laws or policies authorizing the Project would not be adequately served by the continuation of grant funding for the Project.
- D.** In general, termination of grant funding for the Project will not invalidate obligations properly incurred by the Grantee before the termination date to the extent those obligations cannot be canceled. If, however, SANDAG determines that the Grantee has willfully misused grant funding by failing to make adequate progress, or failing to comply with the terms of the Agreement, SANDAG reserves the right to require the Grantee to refund to SANDAG the entire amount of grant funding provided for the Project or any lesser amount as SANDAG may determine.
- E.** Expiration of any Project time period established in the Project Schedule will not, by itself, automatically constitute an expiration or termination of the Agreement for the Project, however, Grantee must request and SANDAG may agree to amend the Agreement in writing if the Project Schedule will not be met. An amendment to the Project Schedule may be made at SANDAG's discretion if Grantee's request is consistent with the provisions of Board Policy No. 035.

XII. CIVIL RIGHTS

The Grantee agrees to comply with all applicable civil rights laws, regulations and policies and shall include the provisions of this section in each subagreement, lease, third-party contract or other legally binding document to perform work funded by this Agreement. Applicable civil rights laws, regulations and policies include, but are not limited to, the following:

A. Nondiscrimination

SANDAG implements its programs without regard to income level, disability, race, color, and national origin in compliance with the Americans with Disabilities Act and Title VI of the Civil Rights Act. Grantee shall prohibit discrimination on these grounds, notify the public of their rights under these laws, and utilize a process for addressing complaints of discrimination. Furthermore, Grantee shall make the procedures for filing a complaint available to members of the public and will keep a log of all such complaints. Grantee must notify SANDAG immediately if a complaint is lodged that relates to the Project or program funded by this

grant. If Grantee receives a Title VI-related or ADA-related complaint, Grantee must notify SANDAG in writing within 72 hours of receiving the complaint so that SANDAG can determine whether it needs to carry out its own investigation.

B. Equal Employment Opportunity

During the performance of this Agreement, Grantee and all of its subcontractors, if any, shall not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family and medical care leave, denial of pregnancy disability leave, veteran status, or sexual orientation. Grantee and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (California Government Code Section 12900, *et seq.*) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0, *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing California Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by this reference and are made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

XIV. DISPUTES AND VENUE

A. Choice of Law

This Agreement shall be interpreted in accordance with the laws of the State of California.

B. Dispute Resolution Process

In the event Grantee has a dispute with SANDAG during the performance of this Agreement, Grantee shall continue to perform unless SANDAG informs Grantee in writing to cease performance. The dispute resolution process for disputes arising under this Agreement shall be as follows:

1. Grantee shall submit a statement of the grounds for the dispute, including all pertinent dates, names of persons involved, and supporting documentation, to SANDAG's Project Manager. The Project Manager and other appropriate SANDAG staff will review the documentation in a timely manner and reply to Grantee within 20 calendar days. Upon receipt of an adverse decision by SANDAG, Grantee may submit a request for reconsideration to SANDAG's Executive Director. The request for reconsideration must be received within ten calendar days from the postmark date of SANDAG's reply. The Executive Director will respond in writing to the request for reconsideration within ten working days.
2. If Grantee is dissatisfied with the results following exhaustion of the above dispute resolution procedures, Grantee shall make a written request to SANDAG for appeal to the SANDAG Regional Planning Committee for SGIP projects or to the SANDAG Transportation Committee for ATGP projects. SANDAG shall respond to a request for

mediation within 30 calendar days. The decision of the Regional Planning Committee or Transportation Committee shall be final.

C. Venue

If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, litigation and collection expenses, witness fees, and court costs as determined by the court.

XV. ASSIGNMENT

Grantee shall not assign, sublet, or transfer (whether by assignment or novation) this Agreement or any rights under or interest in this Agreement.

XVI. INSURANCE

Grantee shall procure and maintain during the period of performance of this Agreement, and for 12 months following completion, policies of insurance from insurance companies authorized to do business in the State of California or the equivalent types and amounts of self-insurance, as follows:

A. General Liability

Combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate for personal and bodily injury, including death, and broad form property damage. The policy must include an acceptable "Waiver of Transfer Rights of Recovery Against Others Endorsement." The policy must name SANDAG as an additional insured in the endorsement. A deductible or retention may be utilized, subject to approval by SANDAG.

B. Automobile Liability

For personal and bodily injury, including death, and property damage in an amount not less than \$1,000,000.

C. Workers' Compensation and Employer's Liability

Policy must comply with the laws of the State of California. The policy must include an acceptable "Waiver of Right to Recover from Others Endorsement" naming SANDAG as an additional insured.

D. Other Requirements

Grantee shall furnish satisfactory proof by one or more certificates (original copies) that it has the foregoing insurance. The insurance shall be provided by an acceptable insurance provider, as determined by SANDAG, which satisfies the following minimum requirements:

1. An insurance carrier qualified to do business in California and maintaining an agent for service of process within the state. Such insurance carrier shall maintain a current A.M. Best rating classification of "A-" or better, and a financial size of "\$10 million to \$24 million (Class V) or better," or

2. A Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for service of process in California.
- E. Certificates of insurance shall be filed with SANDAG. These policies shall be primary insurance as to SANDAG so that any other coverage held by SANDAG shall not contribute to any loss under Grantee's insurance. Insurance policies shall not be canceled without first giving 30 days advance written notice to SANDAG. For purposes of this notice requirement, any material change in the policy prior to its expiration shall be considered a cancellation.

XVII. INDEMNIFICATION AND HOLD HARMLESS

A. Generally

With regard to any claim, protest, or litigation arising from or related to the Grantee's performance in connection with or incidental to the Project or this Agreement, Grantee agrees to defend, indemnify, protect, and hold SANDAG and its agents, officers, Board members, and employees harmless from and against any and all claims, including, but not limited to prevailing wage claims against the Project, asserted or established liability for damages or injuries to any person or property, including injury to the Grantee's or its subgrantees' employees, agents, or officers, which arise from or are connected with or are caused or claimed to be caused by the negligent, reckless, or willful acts or omissions of the Grantee and its subgrantees and their agents, officers, or employees, in performing the work or services herein, and all expenses of investigating and defending against same, including attorney fees and costs; provided, however, that the Grantee's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of SANDAG, its Board of Directors, agents, officers, or employees.

B. Intellectual Property

Upon request by SANDAG, the Grantee agrees to indemnify, save, and hold harmless SANDAG and its Board of Directors, officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Grantee of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Project. The Grantee shall not be required to indemnify SANDAG for any such liability caused solely by the wrongful acts of SANDAG employees or agents.

XVIII. INDEPENDENT CONTRACTOR

A. Status of Grantee

Grantee shall perform the services provided for within this Agreement as an independent contractor, and not as an employee of SANDAG. Grantee shall be under the control of SANDAG as to the result to be accomplished and not the means, and shall consult with SANDAG as provided for in the Scope of Work. The payments made to Grantee pursuant to this Agreement shall be the full and complete compensation to which Grantee is entitled. SANDAG shall not make any federal or state tax withholdings on behalf of Grantee. SANDAG shall not be required to pay any workers' compensation insurance on behalf of Grantee. Grantee agrees to indemnify SANDAG for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which SANDAG may be required to make on behalf of Grantee or any employee of Grantee for work done under this Agreement.

B. Actions on behalf of SANDAG

Except as SANDAG may specify in writing, Grantee shall have no authority, express or implied, to act on behalf of SANDAG in any capacity whatsoever, as an agent or otherwise. Grantee shall have no authority, express or implied, to bind SANDAG or its members, agents, or employees, to any obligation whatsoever, unless expressly provided for in this Agreement.

XIX. SEVERABILITY AND INTEGRATION

If any provision of the Agreement is determined invalid, the remainder of that Agreement shall not be affected if that remainder would continue to conform to the requirements of applicable laws or regulations. This Agreement represents the entire understanding of SANDAG and Grantee as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Agreement may not be modified or altered except in writing, signed by SANDAG and the Grantee.

XX. SIGNATURES

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

SAN DIEGO ASSOCIATION OF GOVERNMENTS

JURISDICTION NAME

KIM KAWADA OR DESIGNEE
Chief Deputy Executive Director

FULL NAME
Title

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of General Counsel

Full Name
Title

ATTACHMENT A

Scope of Work, Schedule, and Approved Project Budget

Project Location

(Specific project location including jurisdiction, community, neighborhood, corridors, and intersections)

Project Description

(Project type [design and/or construction, master plan, etc.], types of improvements/recommendations, project goals)

(Insert Scope, Schedule, and Approved Project Budget)

TransNet MPO ID NO. _____

**COMPETITIVE GRANT PROGRAM PROCEDURES****Applicability and Purpose of Policy**

This Policy applies to all grant programs administered through SANDAG, whether from *TransNet* or another source, including but not limited to the Smart Growth Incentive Program, Environmental Mitigation Program, Bike and Pedestrian Program, Senior Mini Grant Program, Federal Transit Administration grant programs, and Active Transportation Grant Program.

Nothing in this Policy is intended to supersede federal or state grant rules, regulations, statutes, or contract documents that conflict with the requirements in this Policy. There are never enough government grant funds to pay for all of the projects worthy of funding in the San Diego region. For this reason, SANDAG awards grant funds on a competitive basis that takes the grantees' ability to perform their proposed project on a timely basis into account. SANDAG intends to hold grantees accountable to the project schedules they have proposed in order to ensure fairness in the competitive process and encourage grantees to get their projects implemented quickly so that the public can benefit from the project deliverables as soon as possible.

Procedures**1. Project Milestone and Completion Deadlines**

1.1. When signing a grant agreement for a competitive program funded and/or administered by SANDAG, grant recipients must agree to the project delivery objectives and schedules in the agreement. In addition, a grantee's proposal must contain a schedule that falls within the following deadlines. Failure to meet the deadlines below may result in revocation of all grant funds not already expended. The final invoice for capital, planning, or operations grants must be submitted prior to the applicable deadline.

1.1.1. Funding for Capital Projects. If the grant will fund a capital project, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary construction contract must be awarded within two years following execution of the grant agreement, and construction must be completed within eighteen months following award of the construction contract. Completion of construction for purposes of this policy shall be when the prime construction contractor is relieved from its maintenance responsibilities. If no construction contract award is necessary, the construction project must be complete within eighteen months following execution of the grant agreement.

1.1.2. Funding for Planning Grants. If the grant will fund planning, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary consultant contract must be awarded within one year following execution of the grant agreement, and the planning project must be complete within two years following award of the consultant contract. Completion

of planning for purposes of this policy shall be when grantee approves the final planning project deliverable. If no consultant contract award is necessary, the planning project must be complete within two years of execution of the grant agreement.

1.1.3 Funding for Operations Grants. If the grant will fund operations, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary services contract for operations must be awarded within one year following execution of the grant agreement, and the operations must commence within six months following award of the operations contract. If no services contract for operations is necessary, the operations project must commence within one year of execution of the grant agreement.

1.1.4 Funding for Equipment or Vehicles Grants. If the grant will fund equipment or vehicles, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary purchase contracts for equipment or vehicles must be awarded within one year following execution of the grant agreement, and use of the equipment or vehicles for the benefit of the public must commence within six months following award of the purchase contract.

2. Project Milestone and Completion Deadline Extensions

2.1. Schedules within grant agreements may include project scopes and schedules that will identify interim milestones in addition to those described in Section 1 of this Policy. Grant recipients may receive extensions on their project schedules of up to six months for good cause. Extensions of up to six months aggregate that would not cause the project to miss a completion deadline in Section 1 may be approved by the SANDAG Executive Director. Extensions beyond six months aggregate or that would cause the project to miss a completion deadline in Section 1 must be approved by the Policy Advisory Committee that has been delegated the necessary authority by the Board. For an extension to be granted under this Section 2, the following conditions must be met:

2.1.1. For extension requests of up to six months, the grantee must request the extension in writing to the SANDAG Program Manager at least two weeks prior to the earliest project schedule milestone deadline for which an extension is being requested. The Executive Director or designee will determine whether the extension should be granted. The Executive Director's action will be reported out to the Board in following month's report of delegated actions.

2.1.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes.

2.1.3. If the Executive Director denies an extension request under this Section 2, the grantee may appeal within ten business days of receiving the Executive Director's response to the responsible Policy Advisory Committee by sending the appeal to the SANDAG Program Manager.

2.1.4. Extension requests that are rejected by the Policy Advisory Committee will result in termination of the grant agreement and obligation by the grantee to return to SANDAG any unexpended funds within 30 days. Unexpended funds are funds for project costs not incurred prior to rejection of the extension request by the Policy Advisory Committee.

3. Project Delays and Extensions in Excess of Six Months

3.1. Requests for extensions in excess of six months, or that will cause a project to miss a completion deadline in Section 1 (including those projects that were already granted extensions by the Executive Director and are again falling behind schedule), will be considered by the Policy Advisory Committee upon request to the SANDAG Program Manager.

3.2 A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes. The grantee must provide the necessary information to SANDAG staff to place in a report to the Policy Advisory Committee. If sufficient time is available, and the grant utilized *TransNet* funds, the request will first be taken to the Independent Taxpayer Advisory Committee (ITOC) for a recommendation. The grantee should make a representative available at the meeting to present the information to, and/or answer questions from, the ITOC and Policy Advisory Committee.

3.3 The Policy Advisory Committee will only grant an extension under this Section 3 for extenuating circumstances that the grantee could not have reasonably foreseen.

4. Resolution and Execution of the Grant Agreement

4.1 Two weeks prior to the review by the Policy Advisory Committee of the proposed grants, prospective grantees must submit a resolution from their authorized governing body that includes the provisions in this Subsection 4.1. Failure to provide a resolution that meets the requirements in this Subsection 4.1 will result in rejection of the application and the application will be dropped from consideration with funding going to the next project as scored by the evaluation committee. In order to assist grantees in meeting this resolution deadline, when SANDAG issues the call for projects it will allow at least 90 days for grant application submission.

4.1.1 Grantee governing body commits to providing the amount of matching funds set forth in the grant application.

4.1.2 Grantee governing body authorizes staff to accept the grant funding and execute a grant agreement if an award is made by SANDAG.

4.2 Grantee's authorized representative must execute the grant agreement within 45 days from the date SANDAG presents the grant agreement to the prospective grantee for execution. Failure to meet the requirements in this Subsection 4.2 may result in revocation of the grant award.

5. Increased Availability of Funding Under this Policy

- 5.1. Grant funds made available as a result of the procedures in this Policy may be awarded to the next project on the recommended project priority list from the most recent project selection process, or may be added to the funds available for the next project funding cycle, at the responsible Policy Advisory Committee's discretion. Any project that loses funding due to failure to meet the deadlines specified in this Policy may be resubmitted to compete for funding in a future call for grant applications.

Adopted: January 2010

Amended: November 2014

ATTACHMENT C

PROJECT IMPLEMENTATION AND OVERSIGHT REQUIREMENTS

All Grant Types (Capital, Non-Capital, and/or Planning Projects)

1. **Contact Information:** Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.
2. **Request for Proposals and Consultant Selection:** Upon request by SANDAG, Grantee must submit draft Request for Proposals or bid solicitation documents to SANDAG staff for review and comment for consistency with the agreed upon Scope of Work with SANDAG (Attachment A).
3. **Design Development, Stakeholder, and Community Meetings:** Grantee must provide SANDAG with agendas and meeting summaries for all design development (for capital projects only) and community meetings. SANDAG staff may attend any meetings as appropriate.
4. **Quarterly Reports, Invoices, and Deliverables:** Grantee must submit quarterly reports and invoices to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule. Furthermore, the Grantee agrees to provide project milestone information (such as presentations to community groups, other agencies, and elected officials, ground-breakings, and ribbon-cuttings) to support media and communications efforts. Grantee needs to document and track in-kind contributions designated as matching funds as part of project management. Grantee must provide all deliverables identified in the Scope of Work.
5. **Media and Community Outreach Coordination:** Press materials shall be provided to SANDAG staff before they are distributed. SANDAG and *TransNet* logo(s) should be included in press materials and other project collateral based on logo usage guidelines to be provided by SANDAG. Grantee agrees to provide project milestone information to support media and communications efforts.
6. **Photo Documentation:** Grantees are responsible for the following photo documentation:
 - Existing conditions photos (as applicable), which should illustrate the current conditions of the project site and demonstrate the need for improved facilities
 - Project milestone photos (such as workshops, presentations to community groups, other agencies, and elected officials)

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate. Grantees must obtain consent of all persons featured in photos (or that of a parent or guardian of persons under the age of 18) by using the SANDAG Photo and Testimonial Release form to be provided by SANDAG, or a similar release form developed by Grantee and agreed upon by SANDAG.

Capital Grants Only

1. **Baseline Data Collection:** Prior to the construction of grant-funded improvements, the Grantee is responsible for developing a baseline data collection plan with SANDAG to gather information on pedestrian and bike activity. At a minimum, data should be collected for observed bike and pedestrian volumes, behavior, and attitudes in the project area. Once the data collection plan is approved by SANDAG staff, the Grantee is responsible for carrying out the plan and returning collected data to SANDAG as a deliverable. Standardized forms required for data collection will be provided by SANDAG.

Grantees are encouraged to use the National Bicycle and Pedestrian Documentation Project methodology and plan for the following:

- Conduct counts prior to project construction, during National Documentation Days in the second week of September. Supplementary counts and surveys can be conducted during January, May, and July to provide seasonal data, if desired
- Conduct counts for two hours, at peak times relative to the facility. For example, facilities attracting utilitarian trips should be counted on a Tuesday, Wednesday, or Thursday from 5 to 7 p.m., whereas facilities attracting recreational trips should be counted on a Saturday, from 9 to 11a.m.

In the case that the above timeframes are deemed infeasible due to the project schedule, the Grantee and SANDAG will collaborate on an alternative data collection methodology and procedure.

A subset of project areas may be selected for in-depth evaluation by SANDAG, in which case, SANDAG will conduct the data collection effort with required participation from Grantee staff. Such in-depth evaluation conducted by SANDAG will take place solely for the purpose of SANDAG Active Transportation data collection and monitoring efforts, and will not impact Grantees' budgets.

Grantees should plan to budget \$5,000 for data collection.

2. **Plan Review:** Grantee must submit project design drawings and cost estimates (if available) to SANDAG for review and comment at 30 percent, 60 percent, 90 percent, and 100 percent design. SANDAG staff may meet with the Grantee to comment on submitted plans and assure substantial conformance. SANDAG may comment on submitted plans regarding:
 - Whether the plans are consistent with the Project proposed in the original grant application
 - Consistency with accepted pedestrian/bike facility and smart growth design standards
3. **Project Signage:** Each project or program of \$250,000 or more funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by such revenues. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications in *TransNet* Signage Guide and submit proof files to SANDAG for approval before production.
4. **Performance Monitoring:** SANDAG staff may measure performance of the constructed capital improvements against stated project objectives, and evaluate the overall grant program. Grantee is expected to meet with SANDAG staff to identify relevant performance measures and data sources, and provide available data and feedback regarding the program as appropriate.

RESOLUTION NO. ____ AUTHORIZING:

**THE FILING OF AN APPLICATION FOR *TransNet* GRANT FUNDS
FROM THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND
ACCEPTING THE TERMS OF THE GRANT AGREEMENT**

WHEREAS, \$27 million of *TransNet* funding for Smart Growth Incentive Program (SGIP) projects is available to local jurisdictions and the County of San Diego from Fiscal Years 2017-2019, and up to \$1 million of the SGIP funding is available for the preparation of Climate Action Plans (CAPs) and Complete Streets (CS) Policies; and

WHEREAS, \$3.6 million of *TransNet* and Transportation Development Act (TDA) funding for Active Transportation Grant Program (ATGP) projects is available to local jurisdictions and the County of San Diego from Fiscal Years 2017-2019; and

WHEREAS, City of National City wishes to receive grant funding from SANDAG; and

WHEREAS, Name of Jurisdiction understands that in order to be eligible to receive grant funds for SGIP and ATGP projects, jurisdictions must have an adopted CAP and CS Policy (or the equivalent) in place before grant funds will be disbursed; and

WHEREAS, Name of Jurisdiction certifies that it adopted a CAP in a public meeting on Date that includes measures to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020 and achieves further reductions beyond 2020 consistent with adopted regional or local GHG emissions reduction targets; and

WHEREAS, City of National certifies that it adopted a CS Policy or the equivalent (such as policies in the General Plan or other documents adopted by the local jurisdiction) in a public meeting on Date that is consistent with the California Complete Streets Act;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of National City that the City of National City is authorized to submit the following grant application(s) to SANDAG.

Grant Program	Project Name	Total Project Cost (Grant Request + Matching Funds)	Grant Request	Matching Funds
SGIP Capital	8th St Transit Center Mobility Hub	\$2,176,945	\$2,175,945	\$1,000
SGIP Planning	24th St Transit Oriented Development Overlay	\$560,000	\$500,000	\$60,000
ATGP Non-Capital	National City Bicycle Parking Enhancements	\$62,500	\$50,000	\$12,500
ATGP Capital	Citywide Bicycle Wayfinding	\$827,800	\$826,800	\$1,000

ATGP Capital	Division Street – Euclid Avenue to Harbison Avenue Bicycle Improvements	\$412,000	\$312,000	\$100,000
SGIP Capital	Highland Ave Mobility Mini-Hubs	\$1,864,665	\$1,863,665	\$1,000
ATGP Capital	National City Boulevard Inter-City Bike Connection	\$395,001	\$394,001	\$1,000
SGIP Capital	Roosevelt Avenue Corridor Smart Growth Revitalization Plan	\$2,705,000	\$2,080,000	\$625,000
SGIP Capital	Sweetwater Road Protected Bikeway	\$2,778,906	\$2,500,000	\$278,906
ATGP Non-Capital	Waterfront-Homefront Connectivity Study	\$220,000	\$198,000	\$22,000
SGIP Capital	Wayfinding and Urban Trails	\$1,377,948	\$1,376,948	\$1,000

BE IT FURTHER RESOLVED that, if a grant award is made by SANDAG to fund these projects, City of National City commits to providing the total match amounts identified per project; and

BE IT FURTHER RESOLVED that, if a grant award is made by SANDAG, City of National City authorizes City Manager or appointed designee to accept the grant funds, execute the grant agreement(s) with no exceptions in substantially the same form as attached, and complete the Project(s).

PASSED AND ADOPTED by the City Council of the City of National City this 15th day of May, 2018.

Ayes: _____

Nays: _____

Absent/Abstention: _____

Signature of Governing Board's Chair/Director

ATTEST:

City Clerk of City of National City

ATTACHMENT: Grant Agreement Template with SANDAG

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City: 1) accepting the work performed by A Good Sign and Graphics Co. for the Wayfinding Signage Project, CIP No. 16-13; 2) approving the final contract amount of \$335,086.54; 3) authorizing the relea

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City: 1) accepting the work performed by A Good Sign and Graphics Co. for the Wayfinding Signage Project, CIP No. 16-13; 2) approving the final contract amount of \$335,086.54; 3) authorizing the release of retention in the amount of \$16,754.33; and 4) authorizing the Mayor to sign the Notice of Completion for the project.

PREPARED BY: Jose Lopez, Assistant Engineer - Civil

DEPARTMENT: Engineering/Public Works

PHONE: 619-336-4312

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

ACCOUNT NO.

N/A

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: ☐

FINAL ADOPTION: ☐

STAFF RECOMMENDATION:

Adopt Resolution accepting the work performed by A Good Sign and Graphics Co. for the Wayfinding Signage Project, CIP No. 16-13 and approving the final contract amount of \$335,086.54.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Explanation
2. Notice of Completion
3. Final Contract Balance Report
4. Resolution

RECORDING REQUESTED BY
WHEN RECORDED MAIL TO:
NAME: CITY OF NATIONAL CITY
ADDRESS: 1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CA 91950

NOTICE OF COMPLETION

CALIFORNIA CIVIL CODE SECTION 3093

NOTICE IS HEREBY GIVEN of the completion on February 5, 2018 of the:

Wayfinding Signage Project, CIP No. 16-13

Work of improvement or portion of work of improvement under construction or alteration.

<u>Various locations Citywide</u>	<u>National City</u>	<u>CA</u>	<u>91950</u>
Street Address	City	State	Zip Code

The undersigned owns the following interest or estate in said property:

Owner in fee

Nature of the interest or estate of owner (mortgagor, lessee, etc.)

Said work of improvement was performed on the property pursuant to a contract with

A Good Sign and Graphics Co.

Name of Original Contractor

The following work and material were supplied:

Labor provided: General Laborer. Materials: Vinyl, Acrylic, Steel, Aluminum based signage materials, Concrete. Equipment: excavation equipment.

General statement of kind of labor, services, equipment or materials

The names and addresses of co-owners are: N/A

Joint tenants, tenants in common, or other owners

Dated: February 5, 2018;

Signature of Owner

City of National City, 1243 National City Blvd., National City, CA 91950

I, the undersigned, say: I have read the foregoing Notice of Completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 5, 2018 at, National City, California.

Signature: _____

RON MORRISON, MAYOR

Noel6-13

EXPLANATION

The project designed and implemented a comprehensive wayfinding signage program for National City to inform residents and guests of key points of interest such as historic districts, civic centers, transit centers, public library, community parks and recreation facilities. The project also installed truck route signs along designated truck routes to reduce cut-through truck traffic in local neighborhoods. Phase I focused on Downtown, Kimball Park, Westside (Old Town) and Marina District.

On November 22, 2016, the bid solicitation was posted on PlanetBids, a free public electronic bidding system for contractors. On November 28, 2016 and December 5, 2016, the bid solicitation was advertised in local newspapers.

On December 13, 2016, five (5) bids were received electronically on PlanetBids by the 1:00 p.m. deadline. Bid results were available immediately after the 1:00 p.m. deadline. A Good Sign and Graphics Co. was the apparent lowest bidder with a total bid amount of \$398,349.00 as the basis of award. Upon review of all documents submitted A Good Sign and Graphics Co.'s bid was deemed responsive, and they were the lowest responsible bidder qualified to perform the work as described in the project specifications.

On January 17, 2017, the City Council adopted Resolution No. 2017-1 awarding the contract to A Good Sign and Graphics Co., in the not-to-exceed amount of \$270,359 and authorized a 15% contingency in the amount of \$40,553.85 for any unforeseen changes.

The Notice to Proceed with construction was issued on April 5, 2017. Construction started on April 10, 2017 and was completed on February 2, 2017.

The change orders issued for this project are detailed in the Final Contract Balance Report (see attached). The change orders increased the contract by \$69,727.54, while line item adjustments decreased the contract by \$5,000 for a net increase of \$64,727.54 to the contract. This results in a 24% contract increase for a final contract balance of \$335,086.54. After contract award, signage for the "Together We Can" campaign was fabricated and installed, as well as a new sign panel at Morgan Square. These items were not included in the original contract.

As a result of satisfactory completion of the project, staff recommends that City Council, 1) accept the work of A Good Sign and Graphics Co. for the Wayfinding Signage Project, CIP No. 16-13; 2) approve the final contract amount of \$335,086.54; 3) authorize the release of retention in the amount of \$16,754.33; and 4) authorize the Mayor to sign the Notice of Completion for the project.

The Notice of Completion will be filed with the San Diego County Recorder's Office.



FINAL CONTRACT BALANCE

PROJECT: WAYFINDING SIGNAGE PROJECT
DATE: April 16, 2018

FY17 – FY18
CIP No. 16-13

TO:

ORIGINAL CONTRACT AMOUNT:	\$270,359.00
START DATE:	April 10, 2017
COMPLETION DATE:	February 2, 2018
ORIGINAL CONTRACT LENGTH:	80 Working Days
EXTENSION OF WORK DAYS:	124 Working Days
TOTAL CONTRACT TIME:	204 Working Days

DESCRIPTION:

The Final Contract Balance reports final line item amounts and summarizes all change orders to produce a final contract amount.

CHANGE ORDERS AND LINE ITEM ADJUSTMENTS:

Change Order #1 provided additional fabrication and installation of forty (40) banners for the City's "Together We Can" program. It included the cost for the hardware, installation, and all other appurtenances for the additional banners. This Change Order adds three (3) working days to the contract time. This Change Order total amount is \$ 16,441.03.

Change Order #2 required the Contractor to install fourteen (14) map panels throughout the downtown area and Kimball Park area. The estimated time for the fabrication of these panels are from 8 to 10 weeks plus additional installation time. Due to this request, an additional forty-one (41) working days were added with no cost associated to the project. This Change Order total amount was \$ 0.00.

Change Order #3 required the contractor to add supplemental vehicular blade signage after an assessment of the current sign locations and placement. The contractor was required to fabricate and install five (5) five additional directional blades. Due to this request, an additional fourteen (14) working days were added to the contract. Change Order total amount was \$ 10,474.62.

Change Order #4 required the contractor to modify the method for fabricating the lettering for the neighborhood gateway signs per the architect and designer's direction. This Change Order total amount was \$ 1,062.00.

FINAL CONTRACT BALANCE

Wayfinding Signage Project

CIP No. 16-13

Change Order #5 directed the contractor to modify the installation for the foundation of the signs located in the Marina district area due to different site conditions and as approved by the engineer and designer. This Change Order total amount was **\$ 2,920.03**.

Change Order #6 directed the contractor to shift the position of gateway monument sign in the Marina district area as it would affect the visibility of an existing signage adjacent to the area. This Change Order total amount is **\$ 1,592.53**.

Change Order #7 directed the contractor to modify the original aluminum poles for the new signs that would be installed in the Marina district area. The contractor changed the material and the dimensions of the oversized aluminum poles (specified in the plans) as directed by the designer and architect. This work was performed at an agreed upon price. This Change Order total amount was **\$ 1,768.80**.

Change Order #8 directed the contractor to modify the installation method for the double banners due to some visibility issues. The contractor was directed to change the material hardware from a double bracket to a single bracket to ensure that the pole did not block the content of the banner. This work was performed at an agreed upon price. This work was performed at an agreed upon price. This Change Order total amount was **\$ 3,239.10**.

Change Order #9 directed the contractor to only provide the materials for the interpretive panels to be installed at the MTS locations. Since the contractor did not install the two signs, they will be providing a credit to the City for the amount it would have taken to proceed with the original installation. This Change Order was for a credit given back to the City for the amount of **\$391.38**.

Change Order #10 directed the contractor to modify the contents of four (4) vehicular directional blades installed on various locations of the City. The contractor required an additional ten (10) working days for the fabrication and installation of these signs. This work was performed at an agreed upon price. This Change Order total amount was **\$ 6,752.20**.

Change Order #11 directed the contractor to procure and provide additional twenty-one (21) Marina district banners to the sign package. This Change order also directed the contractor to fabricate and install an additional Morgan Square interpretive panel to be installed on site provided by City. The contractor requested an additional twenty-five (25) working days to procure and install the items described. This Change Order total amount was **\$ 8,653.59**.

Change Order #12 directed the contractor to install five (5) additional vehicular directional signs to be included in the wayfinding system. The City provided the content for the signs. The contractor requested thirty-one (31) additional working days to complete the fabrication and installation. This Change Order total amount was **\$ 17,215.02**.

All Change Orders listed above increased the total contract amount by **\$ 69,727.54**.

There was a line item adjustments per the attached FINAL BILLING STATEMENT that resulted in a total deduct of **\$ 5,000.00**.

FINAL CONTRACT BALANCE

Wayfinding Signage Project

CIP No. 16-13

CONTRACT ADJUSTMENT:

As a result of the above change orders and line item adjustments, the contract price is adjusted as follows:

1. The final contract price is adjusted to **\$ 335,086.54**.
2. As a result of the satisfactory completion of said project, a retention amount of **\$ 16,754.33** is set for invoice processing and payment upon the receipt of signatures and City Council's ratification of this agreement and the Notice of Completion.

This document and its purpose to balance payment shall be considered full compensation for furnishing and installing the materials, labor, tools and equipment, profit, overhead, and all incidentals for performing the work described above. A Good Sign, Inc. will not be entitled to damages or additional payment for delays as described in the 2015 edition of the Standard Specifications for Public Works Construction, Section 6-6.3, for performing the work as described above.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City, 1) supporting Proposition 69 which prevents new transportation funds from being diverted for non-transportation purposes, 2) opposing Attorney General #17-0033 November ballot proposition repeal

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.:

ITEM TITLE:

Resolution of the City Council of the City of National City, 1) supporting Proposition 69 which prevents new transportation funds from being diverted for non-transportation purposes, 2) opposing Attorney General #17-0033 November ballot proposition repealing SB1, which raises funds for transportation projects through the Road Repair and Accountability Act (RMRA) of 2017, and 3) supporting the Coalition to Protect Local Transportation Improvements, allowing the City of National City to be listed as a member agency. The City of National City is projected to receive \$1,016,456 in RMRA funds for local transportation projects in Fiscal Year 2019 through SB1.

PREPARED BY: Roberto Yano, Deputy City Engineer

PHONE: 619-336-4383

DEPARTMENT: Engineering and Public Works

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

ACCOUNT NO.

N/A

APPROVED: _____ **FINANCE**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: **INTRODUCTION** ☐ **FINAL ADOPTION** ☐

STAFF RECOMMENDATION:

Adopt Resolution, 1) supporting Proposition 69 which prevents new transportation funds from being diverted for non-transportation purposes, 2) opposing Attorney General #17-0033 November ballot proposition repealing SB1, and 3) supporting the Coalition to Protect Local Transportation Improvements, allowing the City of National City to be listed as a member agency.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Explanation w/ attachment
2. Resolution

Explanation

The 2016 California Statewide Local Streets and Roads Needs Assessment provided an analysis and information on the State's transportation network's condition and funding needs. The report indicated that the condition of the local transportation network is deteriorating at an increasing rate. The statewide estimate at the time was a shortfall of \$73 billion over the next 10 years to repair and maintain the local streets and roads system. The Road Repair and Accountability Act (RMRA) of 2017 (SB 1) provided new funds to cities and counties throughout California. It will raise approximately \$5.4 billion annually in long-term, dedicated transportation funding to rehabilitate and maintain local streets, roads, and highways; make critical, life-saving safety improvements; repair and replace aging bridges and culverts; reduce congestion; and increase mobility options including bicycle and pedestrian facilities.

A ballot proposition, Attorney General #17-0033, aimed at repealing the new transportation revenues provided by SB 1 and making it more difficult to increase funding for state and local transportation improvements in the future will appear on the November 2018 ballot. If this ballot proposition passes, National City could lose its entire RMRA funding allocation for local transportation projects for Fiscal Year 2019, which is projected at \$1,016,456.

Proposition 69, which will be placed on the June 2018 ballot, adds constitutional protections to new revenues generated by SB 1, preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes. The Coalition to Protect Local Transportation Improvements has been formed to support Proposition 69 and oppose the repeal of SB1.

Summaries of Proposition 69 and Attorney General #17-0033 are attached for review.

Staff's recommendation is to adopt the attached Resolution, 1) supporting Proposition 69 which prevents new transportation funds from being diverted for non-transportation purposes, 2) opposing Attorney General #17-0033 November ballot proposition repealing SB1, which raises funds for transportation projects through the Road Repair and Accountability Act (RMRA) of 2017, and 3) supporting the Coalition to Protect Local Transportation improvements, allowing the City of National City to be listed as a member agency.

Proposition 69 Summary
California Proposition 69, Transportation Taxes and Fees Lockbox and Appropriations Limit Exemption Amendment (June 2018)

Proposition 69 would not affect anything. SB 1, which was also known as the Road Repair and Accountability Act of 2017, enacted an estimated \$5.2 billion-a-year increase in transportation-related taxes and fees, including a \$0.12 cents per gallon increase of the gasoline excise tax, a \$0.20 cents per gallon increase of the diesel excise tax, a 4 percentage points increase of the diesel sales tax, an annual \$25 to \$100 Transportation Improvement Fee, and an annual \$100 zero-emission vehicles fee.^{[1][2]}

Proposition 69 would require that revenue from the diesel sales tax and Transportation Improvement Fee (TIF) be dedicated for transportation-related purposes. As of 2018, the state constitution prohibited the legislature from using gasoline excise tax revenue or diesel excise tax revenue for general non-transportation purposes. The amendment would require the diesel sales tax revenue to be deposited into the Public Transportation Account, which was designed to distribute funds for mass transportation and rail systems. Proposition 69 would require the TIF revenue be spent on public streets and highways and public transportation systems. Although SB 1 requires revenue from the zero-emission vehicles fee to be placed in the Road Maintenance and Rehabilitation Account, Proposition 69 does not contain a provision creating a constitutional mandate for zero-emission vehicles fee revenue.^{[1][2]}

Proposition 69 would make revenue from SB 1's tax increases and fee schedules exempt from the state appropriations limit, also known as the Gann Limit.^[3] In other words, the revenue would not count toward the limit. The Gann Limit prohibits the state government and local governments from spending revenue in excess of per-person government spending in fiscal year 1978-1979, with an adjustment allowed for changes in the cost-of-living and population. Amendments were made to the Gann Limit in 1988 and 1990, modifying the formula and requiring half of the excess revenue to be distributed to public education and the other half to taxpayer rebates. Rejecting the constitutional amendment would make SB 1's revenue subject to the Gann Limit. As of 2018, the Gann Limit had been exceeded just once in 1987.^[4]

The Ballot summary is as follows:

- Requires that revenues generated by a 2017 transportation funding law, through a certain vehicle license fee and diesel sales tax, be used only for transportation purposes, including public transportation. Generally prohibits the Legislature from diverting those funds to other purposes.
- Prohibits revenue from new vehicle license fees from being used to repay general obligation bond debt.
- Exempts new revenues from state and local spending limits

**Ballot Proposition (attorney general #17-0033) Summary
California Voter Approval for Gas and Vehicle Taxes Initiative (2018)**

The measure would require majority voter approval for the state legislature to impose, increase, or extend a tax on gasoline, diesel fuel, or the operation of a vehicle or trailer coach on public highways.^[1]

The measure would not apply to tax rates in effect on January 1, 2017. Any tax or tax rate enacted after January 1, 2017, would cease unless and until approved by a majority of voters.^[1]

In April 2017, the California State Legislature passed and Gov. Brown (D) signed Senate Bill 1 (SB 1), which was designed to increase the gas tax \$0.12 per gallon, increase the diesel fuel tax \$0.20 per gallon, increase the sales tax on diesel fuels by an additional 4 percentage points, create an annual transportation improvement fee, and create an annual zero-emission vehicles fee.^[2] As Initiative #17-0033 was designed to terminate new taxes and tax rate increases enacted after January 1, 2017, the taxing provisions of SB 1 would effectively be repealed under the initiative unless and until voters approve SB 1.

The Ballot Summary is as follows:

Repeals a 2017 transportation law's tax and fee provisions that pay for repairs and improvements to local roads, state highways, and public transportation. Requires the Legislature to submit any measure enacting specified taxes or fees on gas or diesel fuel, or on the privilege to operate a vehicle on public highways, to the electorate for approval

Sample Resolution to Support Prop 69 and Oppose SB 1 Repeal

WHEREAS, cities and counties own and operate more than 81 percent of streets and roads in California, and from the moment we open our front door to drive to work, bike to school, or walk to the bus station, people are dependent upon a safe, reliable local transportation network; and

WHEREAS, the 2016 California Statewide Local Streets and Roads Needs Assessment, which provides critical analysis and information on the local transportation network's condition and funding needs, indicates that the condition of the local transportation network is deteriorating at an increasing rate; and

WHEREAS, cities and counties are facing a funding shortfall of \$73 billion over the next 10-years to repair and maintain in a good condition the local streets and roads system and the State Highway System has \$57 million worth of deferred maintenance; and

WHEREAS, SB 1 – the Road Repair and Accountability Act of 2017 – will raise approximately \$5.4 billion annually in long-term, dedicated transportation funding to rehabilitate and maintain local streets, roads, and highways, make critical, life-saving safety improvements, repair and replace aging bridges and culverts, reduce congestion and increase mobility options including bicycle and pedestrian facilities with the revenues split equally between state and local projects; and

WHEREAS, SB 1 provides critically-needed funding in the City of National City that will be used for street improvement projects; and

WHEREAS, SB 1 contains strong accountability and transparency provisions to ensure the public knows how their tax dollars are being invested and the corresponding benefits to their community including annual project lists that identify planned investments and annual expenditure reports that detail multi-year and completed projects; and

WHEREAS, SB 1 requires the State to cut bureaucratic redundancies and red tape to ensure transportation funds are spent efficiently and effectively, and also establishes the independent office of Transportation Inspector General to perform audits, improve efficiency and increase transparency; and

WHEREAS, Proposition 69 on the June 2018 ballot would add additional protections for taxpayers by preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes; and

WHEREAS, there is also a proposed ballot measure aimed for the November 2018 ballot (Attorney General #17-0033) that would repeal the new transportation revenues provided by SB 1 and make it more difficult to increase funding for state and local transportation improvements in the future; and

WHEREAS, this proposed November proposition would raid \$2,744,000 annually dedicated to the City of National City, and halt critical investments in future transportation improvement projects in our community; and

THEREFORE BE IT RESOLVED, that the City of National City hereby supports Proposition 69, the June 2018 constitutional amendment to prevent new transportation funds from being diverted for non-transportation purposes; and

THEREFORE BE IT RESOLVED, that the City of National City hereby opposes the proposed November ballot proposition (Attorney General #17-0033) that would repeal the new transportation funds and make it more difficult to raise state and local transportation funds in the future; and

THEREFORE BE IT FURTHER RESOLVED, that the City of National City supports and can be listed as a member of the Coalition to Protect Local Transportation Improvements, a diverse coalition of local government, business, labor, transportation and other organizations throughout the state, in support of Proposition 69 and in opposition to the repeal of SB 1.

ADOPTED this day ____ of ____, 2018.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the City (Buyer) to piggyback on the City of Poway's Urban Forestry Maintenance Services contract with West Coast Arborist, Inc. (WCA), and award the purchase of 1,700-tree purchase a

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the City (Buyer) to piggyback on the City of Poway's Urban Forestry Maintenance Services contract with West Coast Arborist, Inc. (WCA), and award the purchase of 1,700-tree purchase and planting services in an amount not to exceed \$297,500, consistent with Section 2.60.260 of the National City Municipal Code regarding cooperative purchasing.

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil

DEPARTMENT: Engineering/Public Works

PHONE: 619-336-4388

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

APPROVED: _____ Finance

ACCOUNT NO.

APPROVED: _____ MIS

296-409-500-598-6582 – Urban Forest Management Planting Grant Phase II - \$297,500
Funds are appropriated and available in the above expenditure account. |

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION: ☐

FINAL ADOPTION: ☐

STAFF RECOMMENDATION:

Adopt the resolution awarding the purchase of 1,700-tree purchase and planting services in an amount not to exceed \$297,500 to West Coast Arborists, Inc.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Explanation
2. City of Poway Urban Forestry Maintenance Services Contract
3. Service Agreement
4. Resolution

EXPLANATION

On May 22, 2017, the City of National City was awarded the Urban and Community Forestry Grant in the amount of \$650,800, through the California Department of Forestry and Fire Protection (CAL FIRE) to fund the purchase, planting and initial maintenance of 1,700 trees, to be performed by a contractor, over a three-year period. The long-term maintenance after the plant establishment period will be performed by City Public Works Parks Division. On August 1, 2017, the City Council adopted the Resolution No. 2017-138, accepting the grant and authorizing the City Manager to execute the grant agreement.

In 2015, the City contracted with West Coast Arborist, Inc. (WCA), a highly qualified and reputable contractor in the field of urban forestry, to assist the City's Park Maintenance staff with addressing the growing backlog of tree trimming requests for service. Through implementation of a grid-based tree trimming program, WCA proved to be effective in assisting City crews with clearing the backlog, which allowed City crews to focus on maintaining their tree trimming schedule.

National City Municipal Code Section 2.60.260 provides authority to the purchasing agent to join with other public jurisdictions to take advantage of cooperative purchasing opportunities, including but not limited to any federal, state or local agency pricing program or structure that is determined by the purchasing agent to allow a procurement that is in the best interests of the City. The purchasing agent may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined by the purchasing agent to be in substantial compliance with the City's procurement procedures, irrespective of the contracting limits of that jurisdiction or agency, even if the City had not initially joined with that public agency in the cooperative purchase.

National City's Purchasing staff has confirmed that the City of Poway's Urban Forestry Maintenance Services contract with WCA was competitively bid through a RFP process, and that the City of Poway's procurement procedures are in substantial compliance with those of National City. On July 1, 2016, the City of Poway entered into a two year agreement with WCA for Urban Forest Maintenance Services, which expires on June 30, 2018. The contract may be extended with a total of three (3) separate one-year term extensions.

Therefore, staff requests that City Manager authorize the City (Buyer) to piggyback on the City of Poway's Urban Forestry Maintenance Services contract with WCA and purchase the 1,700-tree purchase and planting services from WCA in an amount not to exceed \$297,500, consistent with Section 2.60.260 of the National City Municipal Code regarding cooperative purchasing.

**AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
WEST COAST ARBORISTS, INC.**

THIS AGREEMENT is entered into on this 15th day of May, 2018, by and between the CITY OF NATIONAL CITY, a municipal corporation (the "CITY"), and WEST COAST ARBORISTS, INC., a California corporation (the "CONTRACTOR").

R E C I T A L S

WHEREAS, the CITY applied for, and was awarded, a grant through the California Department of Forestry and Fire Protection (CAL FIRE) in the amount of \$650,800 to plant 1,700 trees in the City of National City to help in reducing greenhouse gases.

WHEREAS, the CITY desires to employ a CONTRACTOR to provide coordination and planting 1,700 trees through the beginning of 2020 to meet the requirements of the grant.

WHEREAS, the CITY has determined that the CONTRACTOR is a certified forestry professional and is qualified by experience and ability to perform the services desired by the CITY, and the CONTRACTOR is willing to perform such services.

WHEREAS, this contract is being awarded based on cooperative purchasing, as permitted in National City Municipal Code section 2.60.260. The City of Poway has gone through a competitive process for these services and selected this CONTRACTOR, and the CITY is entering into this Agreement with the tree planting prices established through that competitive process.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONTRACTOR.** The CITY agrees to engage the CONTRACTOR to perform tree planting services of 1,700 trees, and the CONTRACTOR agrees to perform the services set forth here in accordance with all terms and conditions contained herein.

The CONTRACTOR represents that all services shall be performed directly by the CONTRACTOR or under direct supervision of the CONTRACTOR.

2. **EFFECTIVE DATE AND LENGTH OF AGREEMENT.** This Agreement will become effective on May 15, 2018. The duration of this Agreement is for the period of May 15, 2018 through March 1, 2020.

3. **SCOPE OF SERVICES.** The CONTRACTOR will perform tree planting services as set forth in the attached Exhibit "A" following the fee schedule as set forth in the attached Exhibit "B" (the project).

The CONTRACTOR shall be responsible for all research and reviews related to the work and shall not rely on personnel of the CITY for such services, except as authorized in advance by the CITY. The CONTRACTOR shall appear at meetings, as required, to keep staff and City Council advised of the progress on the project.

The CITY may unilaterally, or upon request from the CONTRACTOR, from time to time reduce or increase the Scope of Services to be performed by the CONTRACTOR under this Agreement. Upon doing so, the CITY and the CONTRACTOR agree to meet in good faith and confer for the purpose of negotiating a corresponding reduction or increase in the compensation associated with said change in services.

4. **PROJECT COORDINATION AND SUPERVISION.** Victor Uribe, Park Superintendent, hereby is designated as the Project Coordinator for the CITY and will monitor the progress and execution of this Agreement. The CONTRACTOR shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this Agreement for the CONTRACTOR. Michael Palat thereby is designated as the Project Director for the CONTRACTOR.

5. **COMPENSATION AND PAYMENT.** The compensation for the CONTRACTOR shall be based on monthly billings covering actual work performed. Billings shall include labor classifications, respective rates, hours worked and also materials, if any. The total cost for all work described in Exhibit "A" shall not exceed \$297,500. The compensation for the CONTRACTOR'S work shall not exceed the rates set forth in Exhibit "B". Monthly invoices will be processed for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Exhibit "A", as determined by the CITY.

The CONTRACTOR shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred, and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the CITY, and for furnishing of copies to the CITY, if requested.

6. **ACCEPTABILITY OF WORK.** The CITY shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement, and the amount of compensation due. In the event the CONTRACTOR and the CITY cannot agree to the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONTRACTOR in this Agreement, the CITY or the CONTRACTOR shall give to the other written notice. Within ten (10) business days, the CONTRACTOR and the CITY shall each prepare a report which supports their position and file the same with the other party. The CITY shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONTRACTOR.

7. **DISPOSITION AND OWNERSHIP OF DOCUMENTS.** The Memoranda, Reports, Maps, Drawings, Plans, Specifications, and other documents prepared by the CONTRACTOR for this project, whether paper or electronic, shall become the property of the

CITY for use with respect to this project, and shall be turned over to the CITY upon completion of the project, or any phase thereof, as contemplated by this Agreement.

Contemporaneously with the transfer of documents, the CONTRACTOR hereby assigns to the CITY, and CONTRACTOR thereby expressly waives and disclaims any copyright in, and the right to reproduce, all written material, drawings, plans, specifications, or other work prepared under this Agreement, except upon the CITY'S prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONTRACTOR shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

The CONTRACTOR agrees that the CITY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium, or method utilize the CONTRACTOR'S written work product for the CITY'S purposes, and the CONTRACTOR expressly waives and disclaims any residual rights granted to it by Civil Code Sections 980 through 989 relating to intellectual property and artistic works.

Any modification or reuse by the CITY of documents, drawings, or specifications prepared by the CONTRACTOR shall relieve the CONTRACTOR from liability under Section 14, but only with respect to the effect of the modification or reuse by the CITY, or for any liability to the CITY should the documents be used by the CITY for some project other than what was expressly agreed upon within the Scope of Services of this project, unless otherwise mutually agreed.

8. **INDEPENDENT CONTRACTOR.** Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers with one another. Neither the CONTRACTOR nor the CONTRACTOR'S employees are employees of the CITY, and are not entitled to any of the rights, benefits, or privileges of the CITY'S employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONTRACTOR and the CONTRACTOR'S employees, and it is recognized by the parties that a substantial inducement to the CITY for entering into this Agreement was, and is, the professional reputation and competence of the CONTRACTOR and its employees. Neither this Agreement nor any interest herein may be assigned by the CONTRACTOR without the prior written consent of the CITY. Nothing herein contained is intended to prevent the CONTRACTOR from employing or hiring as many employees, or SUBCONTRACTORS, as the CONTRACTOR may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONTRACTOR with its SUBCONTRACTOR(S) shall require the SUBCONTRACTOR(S) to adhere to the applicable terms of this Agreement.

9. **CONTROL.** Neither the CITY nor its officers, agents, or employees shall have any control over the conduct of the CONTRACTOR or any of the CONTRACTOR'S employees, except as herein set forth, and the CONTRACTOR or the CONTRACTOR'S agents, servants, or employees are not in any manner agents, servants, or employees of the CITY, it being understood that the CONTRACTOR its agents, servants, and employees are as to the CITY wholly independent CONTRACTOR, and that the CONTRACTOR'S obligations to the CITY are solely such as are prescribed by this Agreement.

10. **COMPLIANCE WITH APPLICABLE LAW.** The CONTRACTOR, in the performance of the services to be provided herein, shall comply with all applicable state and federal statutes and regulations, and all applicable ordinances, rules, and regulations of the City of National City, whether now in force or subsequently enacted. The CONTRACTOR and each of its SUBCONTRACTOR(S), shall obtain and maintain a current City of National City business license prior to and during performance of any work pursuant to this Agreement.

11. **LICENSES, PERMITS, ETC.** The CONTRACTOR represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONTRACTOR represents and covenants that the CONTRACTOR shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONTRACTOR to practice its profession.

12. **STANDARD OF CARE.**

A. The CONTRACTOR, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONTRACTOR'S trade or profession currently practicing under similar conditions and in similar locations. The CONTRACTOR shall take all special precautions necessary to protect the CONTRACTOR'S employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this Agreement, the CONTRACTOR warrants to the CITY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONTRACTOR'S professional performance or the furnishing of materials or services relating thereto.

C. The CONTRACTOR is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONTRACTOR has been retained to perform, within the time requirements of the CITY, or, when no time is specified, then within a commercially reasonable time. Accordingly, unless the CONTRACTOR has notified the CITY otherwise, the CONTRACTOR warrants that all products, materials, processes or treatments identified in the project documents prepared for the CITY are reasonably commercially available. Any failure by the CONTRACTOR to use due diligence under this sub-section will render the CONTRACTOR liable to the CITY for any increased costs that result from the CITY'S later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

13. **NON-DISCRIMINATION PROVISIONS.** The CONTRACTOR shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONTRACTOR will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONTRACTOR agrees to post in

conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

14. **CONFIDENTIAL INFORMATION.** The CITY may from time to time communicate to the CONTRACTOR certain confidential information to enable the CONTRACTOR to effectively perform the services to be provided herein. The CONTRACTOR shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the CITY. The CONTRACTOR shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 14, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONTRACTOR, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONTRACTOR without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONTRACTOR by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONTRACTOR shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the CITY. In its performance hereunder, the CONTRACTOR shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

CONTRACTOR shall be liable to CITY for any damages caused by breach of this condition, pursuant to the provisions of Section 15.

15. **INDEMNIFICATION AND HOLD HARMLESS.** The CONTRACTOR agrees to defend, indemnify and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONTRACTOR'S performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the CITY, its agents, officers, employees or volunteers. CITY will cooperate reasonably in the defense of any action, and CONTRACTOR shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

16. **WORKERS' COMPENSATION.** The CONTRACTOR shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the CITY and its officers, employees, and volunteers from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the CITY or its officers, employees, or volunteers, for or on account of any

liability under any of said acts which may be incurred by reason of any work to be performed by the CONTRACTOR under this Agreement.

17. **INSURANCE.** The CONTRACTOR, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONTRACTOR(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following insurance policies:

A. ☐ If checked, **Professional Liability Insurance** (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONTRACTOR'S employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the CITY. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONTRACTOR has no employees subject to the California Workers' Compensation and Labor laws, CONTRACTOR shall execute a Declaration to that effect. Said Declaration shall be provided to CONTRACTOR by CITY.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY's Risk Manager, at the address listed in subsection G below, of cancellation or material change.

F. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONTRACTOR shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

G. The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA 91950-4397

H. Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII according to the current Best's Key Rating Guide, or a company of equal financial stability that is approved by the CITY'S Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY'S Risk Manager. If the CONTRACTOR does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY.

K. If the CONTRACTOR maintains broader coverage or higher limits (or both) than the minimum limits shown above, the CITY requires and shall be entitled to the broader coverage or higher limits (or both) maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

18. **LEGAL FEES.** If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney's fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney's fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney's fees incurred by the prevailing party.

19. **TERMINATION.**

A. This Agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 60-day's written notice to the CONTRACTOR. During said 60-day period the CONTRACTOR shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this Agreement, misrepresentation by the CONTRACTOR in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the CITY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONTRACTOR as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONTRACTOR, whether paper or electronic, shall immediately become the property of and be delivered to the CITY, and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the CITY by the CONTRACTOR'S breach, if any. Thereafter, ownership of said written material shall vest in the CITY all rights set forth in Section 7.

E. The CITY further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the CONTRACTOR; (2) a reorganization of the CONTRACTOR for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONTRACTOR.

20. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To CITY: Victor Uribe
Park Superintendent
Engineering and Public Works Department
City of National City
1243 National City Boulevard
National City, CA 91950-4397

To CONTRACTOR:
Michael Palat
Area Manager
West Coast Arborists, Inc.
8524 Commerce Avenue, Suite B
San Diego, CA 92121

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

21. CONFLICT OF INTEREST AND POLITICAL REFORM ACT

OBLIGATIONS. During the term of this Agreement, the CONTRACTOR shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of National City. The CONTRACTOR also agrees not to specify any product, treatment, process or material for the project in which the CONTRACTOR has a material financial interest, either direct or indirect, without first notifying the CITY of that fact. The CONTRACTOR shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The CONTRACTOR shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONTRACTOR has a financial interest as defined in Government Code Section 87103. The CONTRACTOR represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

☐ If checked, the CONTRACTOR shall comply with all of the reporting requirements of the Political Reform Act and the National City Conflict of Interest Code. Specifically, the CONTRACTOR shall file a Statement of Economic Interests with the City Clerk of the City of National City in a timely manner on forms which the CONTRACTOR shall obtain from the City Clerk.

The CONTRACTOR shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Section 21 by the CONTRACTOR.

22. PREVAILING WAGES. State prevailing wage rates may apply to work performed under this Agreement. State prevailing wages rates apply to all public works contracts as set forth in California Labor Code, including but not limited to, Sections 1720, 1720.2, 1720.3, 1720.4, and 1771. Contractor is solely responsible to determine if State prevailing wage rates

apply and, if applicable, pay such rates in accordance with all laws, ordinances, rules, and regulations.

23. **MISCELLANEOUS PROVISIONS.**

A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

I. *Audit.* If this Agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the Agreement, per Government Code Section 8546.7.

J. *Entire Agreement.* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

K. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

L. *Subcontractors or Subcontractors.* The CITY is engaging the services of the CONTRACTOR identified in this Agreement. The CONTRACTOR shall not subcontract any portion of the work, unless such subcontracting was part of the original proposal or is allowed by the CITY in writing. In the event any portion of the work under this Agreement is subcontracted, the subcontractor(s) shall be required to comply with and agree to, for the benefit of and in favor of the CITY, both the insurance provisions in Section 17 and the indemnification and hold harmless provision of Section 15 of this Agreement.

M. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY

WEST COAST ARBORISTS, INC.

(Corporation – signatures of two corporate officers required)

By: _____
Ron Morrison, Mayor

By: _____
(Name)

(Print)

APPROVED AS TO FORM:

Angil P. Morris-Jones
City Attorney

(Title)

By: _____
Roberto M. Contreras
Deputy City Attorney

By: _____
(Name)

(Print)

(Title)

West Coast Arborists, Inc.

Scope of Work

Project Requirements

The Scope of Work for this Agreement is to provide professional tree planting of 1700 trees. The City's Park Superintendent will direct West Coast Arborists, Inc. to plant these 1700 trees to meet the requirements of an awarded grant through the California Department of Forestry and Fire Protection (CAL FIRE).

The Park Superintendent will identify those areas of the City in need of tree planting by reference to the City's tree database. The City anticipates these tree planting services will first begin at El Toyon Park and later move to vacant property sites, and other locations, as directed by the Park Superintendent. Prices for these services are listed in Exhibit B.

The contract is not to exceed \$297,500 and is effective May 15, 2018 through March 1, 2020.

Proposal 48656

CA Contractors License #366764 | AZ Contractors License #258951
DIR Registration #1060000956
Liability Insured



West Coast Arborists, Inc.
8524 Commerce Av., Suite B
San Diego, CA 92121
(P) 858.586.4204 (F) 858.585.4098

PROFORMA FOR TREE MAINTENANCE SERVICES

CUSTOMER:	CITY OF NATIONAL CITY	INV. NEEDED:	Yes
MAIN CONTACT:	VICTOR URIBE	BILLING CONTACT:	VICTOR URIBE
ADDRESS:	1243 NATIONAL CITY BLVD NATIONAL CITY, CA 91930	ADDRESS:	1243 NATIONAL CITY BLVD NATIONAL CITY, CA 91930
PHONE/FAX:	(619) 336-4580 / (619) 336-4594	PHONE/FAX:	(619) 336-4580 / (619) 336-4594
EMAIL:	VURIBE@NATIONCITYCA.GOV	EMAIL:	VURIBE@NATIONCITYCA.GOV
JOB LOCATION: National City, City Wide.			
JOB DESCRIPTION: Task 1 and 2 including all tree planting supplies. Furnish and install 1700 15 gallon trees. Tree species to be determined. Species will be the most suitable for achieving the CALFIRE grant carbon goals.			
QTY	DESCRIPTION	U/M	TOTAL
1700	Plant 15 Gallon Trees	Each	\$175.00 \$297,500.00
GRAND TOTAL:			\$297,500.00
All work will be completed in accordance with ANSI A300 standards. Price reflects payment of prevailing wage rates under the wage determination: Tree Maintenance Laborer, and reporting of certified payroll to the Department of Industrial Relations as applicable in accordance with state labor laws.			
COMMENTS: Prices reflect the City of National City contract rates.			
ESTIMATED BY: MIKE PALAT		Date: 2/1/2018	
ACCEPTED BY:		Date:	

CONTRACT**URBAN FORESTRY MAINTENANCE SERVICES**

This Contract, made and concluded this first day of July, 2018, by and between the CITY OF POWAY, a general law city and municipal corporation (the "City"), and West Coast Arborist, Inc., a California corporation, hereinafter referred to as "the Contractor." The length of this Contract shall be for two (2) years beginning on July 1, 2018 through June 30, 2018. The Contract may be extended with a total of three (3) separate one-year term extensions. Each extension will be dependent on the appropriation of funds by the City Council. The maximum length of the Contract can be up to five (5) years. The option to renew may be by mutual agreement between the City and the selected Contractor. Adjustments to service costs are based on Section II, Item 28, Contract Renewal. The City may at any time, for any reason, with or without cause, suspend or terminate this Contract, or any portion hereof, by serving upon the selected Contractor at least ten (10) working days prior written notice with cause or sixty (60) days without cause. If the City suspends or terminates a portion of this Contract, such suspension or termination shall not make void or invalidate the remainder of this a Contract.

ARTICLE I. That for and in consideration of payments and agreements hereinafter mentioned, to be made and performed by the City, and under the conditions expressed in the bonds attached hereto, if any, Contractor agrees with City at Contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the Specifications (attached hereto, at Section 3) necessary to construct and complete in good, workmanlike and substantial manner, all to the satisfaction of the City of Poway, in accordance with the Special Provisions for this project as set forth herein.

ARTICLE II. Said Contractor agrees to receive and accept as full compensation for furnishing all materials and doing all the work contemplated and embraced in the Contract an amount equal to the sum of the totals for the items of work. The total for each item of work shall be calculated by determining the actual quantity of each item of work and multiplying that actual quantity by the unit price proposal by the Contractor for that item of work. Contractor further agrees to be responsible and hold City harmless from all loss or damage arising out of the nature of work aforesaid, or from the acts of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by City. Contractor agrees to be responsible and hold City harmless from all risks of every description and under the control of Contractor pursuant to the terms of the Contract, and connected with Contractor's performance of this Contract. The Contractor is responsible for all expenses incurred by or in consequence of the suspension or discontinuance of work, and/or faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Specifications and requirements of the City.

ARTICLE III. The City hereby agrees and promises the Contractor to employ, and does hereby employ, said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices stated, and hereby Contracts to pay the same at the time, in the manner, and upon the conditions above set forth. Said parties for themselves, to their heirs, executors, administrators, successors and assigns, do hereby agree to full performance of the Covenants herein contained.

ARTICLE IV. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid or proposal of said Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of proposal conflicting herewith.

ARTICLE V. Contractor shall defend and otherwise hold City harmless from any and all claims, complaints, causes of action, of any nature whatsoever, arising from Contractor's performance of the Contract. In performance of this Provision, Contractor shall name City as additional insured on a policy of general liability as required per Section II, Item 19. The Covenant contained herein applies to all sums paid as a result of the above claims, including court costs and reasonable attorney fees whether or not the matter results in judgment.

ARTICLE VI. Pursuant to Public Contract Code Section 22300, provisions for substitution of securities for performance retentions will be allowed.

ARTICLE VII. EACH AND EVERY COVENANT, CONDITION AND PROMISE contained in the Specifications, General Provisions and Special Provisions for said project are herein incorporated by reference as if fully set forth herein and constitute a material part of the consideration to the City in entering into this Contract with Contractor.

(All items in the Contract will be the same as in the Proposal.)

IN WITNESS WHEREOF, the parties to those present have hereunto set their names in the year and date first above written.

Contractor:

Signature

Title:

Patrick Mahoney, President

Signature

Title:

Richard Mahoney, Assistant Secretary

City Manager of the City of Foway:

ATTEST:

City Clerk:

APPROVED AS TO FORM:

City Attorney:

SECTION V
PROPOSAL FORMS

To the ~~City of Fresno~~, acting by and through its City Council, herein called the "City" for **URBAN FORESTRY MAINTENANCE SERVICES** to be provided to said City:

Pursuant to and in compliance with the Request for Proposals (RFP) and in accordance with the Specifications contained herein, the undersigned proposing contractor, having become familiarized with the terms of the contract, plans, specifications, and addenda, hereby proposes and agrees to perform, within the time stipulated, the contract, including all of its component parts, and everything required to be performed, all in strict conformity with the plans and specifications and other contract documents, including all addenda for the sums set for the sites listed hereby;

It is understood and agreed that the contract amount includes all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies between numbers of the proposal amount and the words stating the amount, the words shall govern over numbers;

IN COMPLIANCE with the Notice, Specifications, and special provisions heretofore stipulated, the undersigned, with full comprehension thereof, hereby proposes to perform the entire work for the prices set forth below upon which award of Contract is made;

Work not identified in the contract will be billed on a time and materials basis using the same standard hourly rate (which shall include labor, vehicle use, tools and equipment, overhead and profit). For the purpose of proposal evaluation, proposing contractors shall enter on the proposal schedule the standard hourly rates as requested.

Notice of acceptance or requests for additional information should be addressed to proposing contractor at the email address stated below.

Business Name/Proposing Contractor (Please Print):

West Coast Arborists, Inc.

Authorized Agent or Officer:

Title: Patrick Mahoney, President

Email Address: vgonzalez@wcalinc.com

Address: 2200 E. Via Burton

Anaheim, CA 92806

PROPOSAL FORMS

Service Address: 6024 Comnerco Avenue, Suite B
San Diego, CA 92121

Telephone: (714) 891-1800

City of Poway Business Certificate No.: BC-C07041

Expiration Date: 07/28/2017

CA Licence No: 889764

Licence Expiration Date: 12/31/16

DIR Registration No.: 1000000355

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FEE SCHEDULE - MAINTENANCE

Description	Unit	Unit Price
Grid Tree Trimming**	Each	\$ 62.00
Tree Felling**	Each	\$ 34.00
Prune Fan Palm	Each	\$ 62.00
Clean Trunk for Fan Palm (skinning)	Each	\$ 150.00
Service Request Trimming 0-6" DBH**	Each	\$ 62.00
Service Request Trimming 7-12" DBH**	Each	\$ 69.00
Service Request Trimming 13-18" DBH**	Each	\$ 150.00
Service Request Trimming 19-24" DBH**	Each	\$ 176.00
Service Request Trimming 25-30" DBH**	Each	\$ 248.00
Service Request Trimming 31"+ DBH**	Each	\$ 323.00
Tree Removal and Stump Grinding***	Inch	\$ 27.00
Tree Removal Only***	Inch	\$ 17.00
Stump Removal (grading)***	Inch	\$ 10.00
Plant 18-gallon tree w/RS*	Each	\$ 160.00
Plant 18-gallon tree w/out RS*	Each	\$ 175.00
Plant 24" box tree w/RS*	Each	\$ 200.00
Plant 24" box tree w/out RS*	Each	\$ 270.00
Plant 36" box tree w/RS*	Each	\$ 340.00
Plant 36" box tree w/out RS*	Each	\$ 410.00
Plant 48" box tree w/RS*	Each	\$ 1,750.00
Plant 48" box tree w/out RS*	Each	\$ 1,870.00
Root Pruning/Root Barrier Installation 12" or 18" bio-barrier	Linear Foot	\$ 35.00
GPS Tree Inventory (per tree site)	Each	\$ 1.00
Tree Injection	Each	\$ 39.00
TOTAL		\$ 7,648.50

*Tree planting includes tree, materials, and planting costs.

**Grid trimming, tree raising, and service requests includes cleanup and disposal.

***Tree and stump removal includes cleanup and disposal.

MAINTENANCE - PROPOSAL AMOUNTS, IN WORDS:

Seven thousand six hundred forty-eight dollars

Fifty cents cents

Proposing Contractor's Signature: _____

Date: 5/23/13

Contractor's Company: West Coast Arborists, Inc.

PIE SCHEDULE - HOURLY RATES

Description	Monday - Friday (7:00 A.M. - 4:00 P.M.)	After Hours (4:00 P.M. - 7:00 A.M.), Holidays, and Weekends
Regular Tree Maintenance Crew Rental (3-man crew)*	\$ 210.00	n/a
Emergency Crew Rental (3-man crew)*	n/a	\$ 270.00
Arborist Services (Report Writing)*	\$ 120.00	n/a
Specialty Equipment (Cranes and/or 33' Aerial)	\$ 150.00	\$ 200.00
Certified Consulting Arborist*	\$ 150.00	n/a
Pest Control Advisor	\$ 150.00	\$ 200.00
Watering trees (water truck & operator)	\$ 70.00	\$ 130.00
TOTALS	\$850.00	\$820.00

*Includes overhead and vehicle

HOURLY RATES - PROPOSAL AMOUNTS, IN WORDS:

Monday - Friday

Eight hundred fifty Dollars
Zero Cents

After Hours, Holidays, and Weekends

Eight hundred twenty Dollars
Zero Cents

Proposing Contractor's Signature: _____ Date: 5/28/16

Contractor's Company West Coast Arborists, Inc.

COOPERATIVE PURCHASING

It is intended that any other public agency (e.g., city, county district, public authority, public agency, municipality, and other political subdivision or public corporation) shall have the option to participate in any award made as a result of this solicitation at the same price. The City shall incur no financial responsibility in connection with any purchase by another public agency. The public agency shall accept sole responsibility for placing orders and making payments to the vendor.

GUARANTY

To the City of Poway, City Council, for:

URBAN FORESTRY MAINTENANCE SERVICES

The undersigned guarantees the work included in this project(s).

Should any of the materials or equipment prove defective or should the work as a whole prove defective, due to faulty workmanship, material furnished or methods of installation, or should the work or any part thereof fail to operate properly as originally intended and in accordance with the Specifications, due to any of the above causes, all within the number of months the site is to be maintained after date on which this Contract is accepted by the City, or the date of recordation of Notice of Completion, whichever is the later, the undersigned agrees to reimburse the City upon demand, for its expenses incurred in restoring said work to the condition contemplated in said project, including the cost of any such equipment or materials replaced and the cost of removing and replacing any other work necessary to make such replacement or repairs, or upon demand by the City, to replace any such material and to repair said work completely without cost to the City so that said work will function successfully as originally contemplated.

The City shall have the unqualified option to make any needed replacements or repairs itself or to have such replacements or repairs done by the undersigned. In the event the City elects to have said work performed by the undersigned, the undersigned agrees that the repairs shall be made and such materials as are necessary shall be furnished and installed within a reasonable time after the receipt of demand from the City. If the undersigned shall fail or refuse to comply with his obligations under this guaranty, the City shall be entitled to all cost and expenses, including attorney's fees, reasonably incurred by reason of the said failure or refusal.

West Coast Arborists, Inc.
Contractor (Company)

By: _____

Patrick Mahoney, President

Title

June 27, 2016

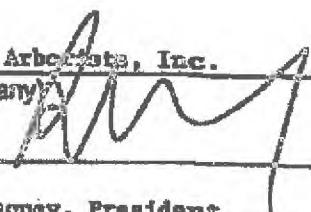
Date

****TO BE SUBMITTED WITH EXECUTED CONTRACT****

WORKERS' COMPENSATION INSURANCE CERTIFICATE

Pursuant to Section 1891 of the State Labor Code, each Contractor to whom a public works Contract has been awarded shall sign the following certificate and shall submit same to the City of Poway prior to performing any work on the Contract:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract."

By: West Coast Arborists, Inc.
Contractor (Company) 
Patrick Mahoney, President
Title
June 27, 2016
Date

Section 3700 of the State Labor Code reads in part as follows:

"Every employer except the State shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this state.
- (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his employees."

****TO BE SUBMITTED WITH EXECUTED CONTRACT****

SECTION I
REQUEST FOR PROPOSALS

Notice is hereby given that the City of Poway, California will accept sealed proposals at the Public Works Administration Office, 14457 Lake Poway Road, Poway, CA 92084, until 3:00 p.m. on Tuesday, June 1, 2016. Proposals shall be submitted in plain, sealed envelopes, marked on the outside with the project title:

URBAN FORESTRY MAINTENANCE SERVICES
RFP 16-018

Project Description: To furnish all professional services, skilled labor, materials, equipment, tools, insurance, permits and fees, as necessary, to render the services according to the specifications set forth in this outline. The successful proposal by a qualified contractor to provide professional Urban Forestry Maintenance Services will result in a contract with the City of Poway. The contractor will supplement City staff.


No proposal will be accepted unless it is made on proposal forms furnished by the City of Poway. Proposals will be evaluated on the basis of experience and ability to perform, which includes the equipment list, but not limited to, experience and history of the firm, as well as upon the amount proposed. The City will also consider a cooperative purchasing agreement that meets our purchasing requirements per 3.28 in the Municipal Code. The award of the Contract, if made, will be made to the proposer, who in the sole discretion of the City is best able to perform the Contract in a manner most beneficial to the City of Poway. The City reserves the right, after opening proposals, to reject any or all proposals, to waive any informality in the proposal, and to accept any proposal or portion of it.

Standard Contract Length: The length of this Contract shall be for two (2) years on July 1, 2016 through June 30, 2018. The Contract may be extended with a total of three (3) separate one-year term extensions. The maximum length of the Contract can be up to five (5) years. The option to renew may be by mutual agreement between the City and the selected Contractor. Award of the Contract and any Contract extensions are subject to City Council appropriation of funds. Each renewal period (fiscal), the Contractor's costs shall be adjusted based on the annual change in the previous calendar year's Consumer Price Index for the San Diego area (All Urban Consumers CPI-U) or 5%, whichever is less. The first adjustment would occur no earlier than July 1, 2018.

Proposal documents may be purchased for a non-refundable fee of \$7.00 per set from the City of Poway Customers Service Counter, located at 13326 Civic Center Drive, CA 92084 during regular business hours or free of charge via our website at www.poway.org.

For further information contact Dena Mann, Public Works Supervisor, at (619) 688-4704 or by email at dmann@poway.org.

DATE 06/01/16


Troy Bankston, Director of Public Works

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the establishment of an Engineering Grants Fund appropriation of \$333,000 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the Cali

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the establishment of an Engineering Grants Fund appropriation of \$333,000 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the California Department of Transportation's (Caltrans) Sustainable Transportation Planning Grant Program for completion of the National City INTRA-Connect Plan (Integrating Neighborhoods with Transportation Routes for All).

PREPARED BY: Stephen Manganiello

PHONE: 336-4382

DEPARTMENT: Engineering/Public Works

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

Revenue Account: 296-06183-3463

Expenditure Account: 296-409-500-598-6183 (INTRA-Connect Plan)

\$45,000 local match will be requested through the CIP for Traffic Monitoring / Safety Enhancements as part of the FY 2019 annual budget

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: ☐

FINAL ADOPTION: ☐

STAFF RECOMMENDATION:

Adopt Resolution authorizing the establishment of an Engineering Grants Fund appropriation of \$333,000 and corresponding revenue budget for completion of the National City INTRA-Connect Plan.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Explanation
2. Resolution

EXPLANATION

The INTRA-Connect Plan (Integrating Neighborhoods with Transportation Routes for All) expands upon National City's SMART Foundation Plan (Safe Multi-modal Accessible Routes To...transit, schools, parks, shops, services and recreation), which identified infrastructure enhancements to encourage multi-modal transportation in National City, by taking a comprehensive and integrated look at Smart Growth Planning, Smart Mobility and Smart Parking elements. This strategic approach will further support infill development as well as localize self-supporting neighborhoods that keep vehicular miles traveled (VMT) down, thereby reducing greenhouse gas (GHG) emissions and VMT, simultaneously.

A central focus of this project will be the concept of 10-minute "walk neighborhoods," 10-minute "drive communities" and 10-minutes to "transit connections." The 10-minute concept will encourage more compact development, enhance transit use, increase multi-modal transportation, reduce the distance and time people need to travel, and subsequently, reduce GHG emissions.

The project will maximize developable infill opportunities while taking a comprehensive approach to reviewing the City's street classification standards, including an analysis of the current community corridor network, creating additional definitions of sub-categories of street typology for all community corridors, and standardizing transportation amenities and street guidelines.

The final plan will produce a framework of active transportation strategies, overview of street classifications and design standards, refinement of community corridors, development of priority projects including conceptual designs and preliminary cost estimates, identification of infill investment areas, and potential changes in land use and intensity.

On November 1, 2016, City Council adopted Resolution No. 2016-176 authorizing the filing of an application for Sustainable Transportation Planning Grant Program funds through the California Department of Transportation (Caltrans) for National City's INTRA-Connect Plan and authorizing the City Manager to execute the grant agreement with Caltrans, if selected for grant award. In March 2017, staff was notified that National City had been awarded a \$330,000 Sustainable Communities Transportation Planning Grant for the project. The City Manager subsequently executed Grant Agreement Number 74A0956 with Caltrans, effective November 1, 2017.

Staff is requesting authorization to establish an Engineering Grants Fund appropriation of \$330,000 and corresponding revenue budget to allow for reimbursement of eligible project expenditures. The required local match of \$45,000 will be requested through the Capital Improvement Program (CIP) for Traffic Monitoring / Safety Enhancements as part of the FY 2019 annual budget.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of red curb No Parking on the north side of the 200 block of E. 24th Street adjacent to the two driveways of parking lot "S" of National City Park Apartments in order

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the installation of red curb "No Parking" on the north side of the 200 block of E. 24th Street adjacent to the two driveways of parking lot "S" of National City Park Apartments in order to enhance safety and visibility for drivers exiting the apartment driveways (TSC No. 2018-04).

PREPARED BY: Luca Zappiello, Junior Engineer – Civil

PHONE: 619-336-4360

DEPARTMENT: Engineering/Public Works

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

ACCOUNT NO.

N/A

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Adopt Resolution authorizing installation of red curb "No Parking" on the north side of the 200 block of E. 24th Street adjacent to the two driveways of parking lot "S" of National City Park Apartments.

BOARD / COMMISSION RECOMMENDATION:

At their meeting on April 11, 2018, the Traffic Safety Committee approved staff's recommendation to install red curb "No Parking" on the north side of the 200 block of E. 24th Street adjacent to the two driveways of parking lot "S" of National City Park Apartments

ATTACHMENTS:

1. Explanation w/ Exhibit
2. Staff Report to the Traffic Safety Committee on April 11, 2018 (TSC No. 2018-04)
3. Resolution

EXPLANATION

Ms. Sharon K. Ramirez, General Manager of National City Park Apartments (Apartments), has requested the installation of red curb "No Parking" on the north side of the 200 block of E. 24th Street adjacent to the two driveways of parking lot "S" to enhance safety and visibility for vehicles exiting the driveways onto E. 24th Street. Ms. Ramirez stated that the son of Mr. Sergio Rivera, a resident of the Apartments, had an accident while exiting one of the parking lot "S" driveways onto E. 24th Street due to visibility constraints when vehicles are parked too close to the driveway.

Staff performed a site evaluation. The posted speed limit for E. 24th Street is 35 mph. Staff confirmed that parking lot "S" at the Apartments has two separate driveways on E. 24th Street. Driveway #1 represents the western driveway, while Driveway #2 represents the eastern driveway. Staff confirmed that there is 40 feet of existing red curb "No Parking" on the north side of E. 24th Street, west of Driveway #1 for a fire hydrant. Staff also confirmed that there is 20 feet of existing red curb "No Parking" on the north side of E. 24th Street located approximately 25 feet to the east of Driveway #2. Staff confirmed that there is 25 feet of unrestricted on-street parallel parking between the eastern side of Driveway #2 and the existing red curb "No Parking" zone.

Staff confirmed that when vehicles on E. 24th Street park too close to the two driveways of parking lot "S," visibility for vehicles attempting to exit the driveways onto E. 24th Street is partially obstructed.

Staff also reviewed the traffic collision history for this location, which confirmed there was four "reported" traffic collisions within the past four years.

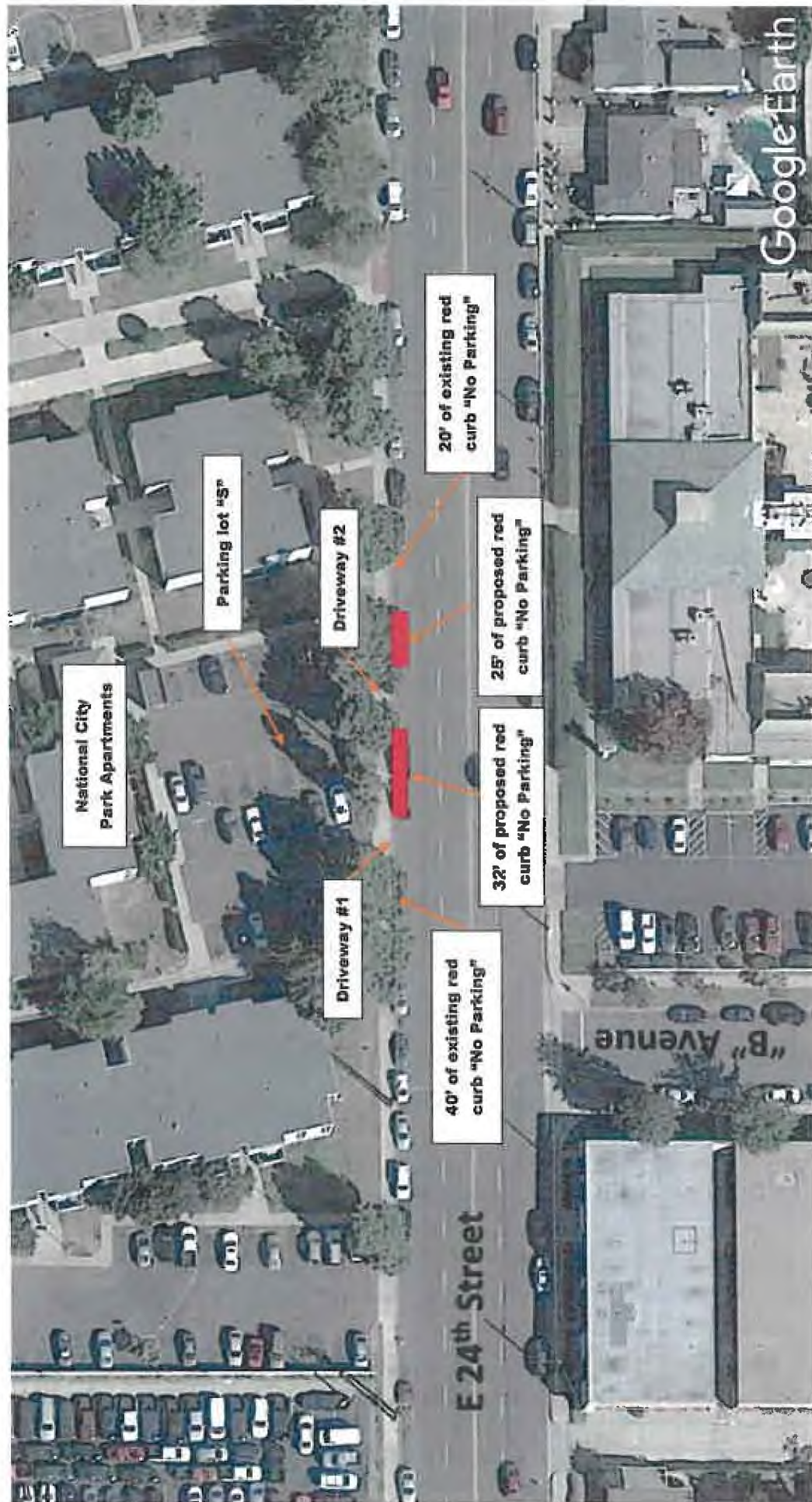
This item was presented to the Traffic Safety Committee on April 11, 2018. Ms. Ramirez was in attendance and spoke in support of the installation of red curb at the apartment driveways of parking lot "S."

Staff presented the results of the site evaluation and after discussion, the Traffic Safety Committee voted to approve staff's recommendation for the installation of red curb "No Parking" on the north side of the 200 block of E. 24th Street adjacent to the two driveways of parking lot "S." The amount of red curb proposed to be installed at Driveway #1 and Driveway #2 is summarized as follows:

1. Install 32 feet of red curb "No Parking" to the east of Driveway #1. This will result in the loss of one (1) on-street parking space;
2. Install 25 feet of red curb "No Parking" to the east of Driveway #2. This will result in the loss of one (1) on-street parking space.

If approved by City Council, all work will be performed by City Public Works.

Location Map with Recommended Enhancements (TSC Item: 2018-04)



**NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR April 11, 2018**

ITEM NO. 2018-04

ITEM TITLE: **REQUEST TO INSTALL RED CURB "NO PARKING" ON THE NORTH SIDE OF E. 24TH STREET ADJACENT TO THE TWO DRIVEWAYS OF THE PARKING LOT "S" OF "NATIONAL CITY PARK APARTMENTS" IN ORDER TO ENHANCE SAFETY AND VISIBILITY FOR DRIVERS EXITING THE APARTMENT DRIVEWAYS**

PREPARED BY: Luca Zappiello, Junior Engineer - Civil
Engineering & Public Works Department

DISCUSSION:

Ms. Sharon K. Ramirez, general manager of "National City Park Apartments" (Apartments), has requested the installation of red curb "No Parking" on the north side of E. 24th Street adjacent to the two driveways of the parking lot "S" to enhance safety and visibility for vehicles exiting the parking lot "S" onto E. 24th Street. Ms. Ramirez stated that the son of Mr. Sergio Rivera, a resident of the Apartments, had an accident while exiting the parking lot "S" driveway onto E. 24th Street due to visibility constraints when vehicles are parked too close to the driveways of the parking lot "S" on the north side of E. 24th Street. Furthermore, Ms. Ramirez stated that adding red curb at the Apartment driveways will enhance safety and visibility for drivers exiting the apartment driveway.

Staff performed a site evaluation. The posted speed limit for E. 24th Street is 35 mph. Staff confirmed that parking lot "S" at the Apartments has two separate driveways on E. 24th Street. Driveway #1 represents the western driveway (Driveway #1), while driveway #2 represents the eastern driveway (Driveway #2). Staff confirmed that there are 40 feet of designated red curb "No Parking" on the north side of E. 24th Street, west of Driveway #1 for a fire hydrant. Staff also confirmed that there are 20 feet of designated red curb "No Parking" on the north side of E. 24th Street that is located 25 feet from the eastern side of Driveway #2. Staff confirmed that there are 25 feet of unrestricted on-street parking on the east side of Driveway #2 between the eastern side of Driveway #2 and the existing red curb "No Parking".

Staff confirmed that when vehicles on E. 24th Street park too close to the two driveways, visibility for the vehicles that are exiting the parking lot "S" onto E. 24th Street is partially obstructed.

Staff also reviewed the traffic collision history for this location, which confirmed there was four "reported" traffic collisions within the past four years. See attachment traffic collision summary table.

STAFF RECOMMENDATION:

Staff recommends installation of red curb "No Parking" on the north side of E. 24th Street adjacent to the two driveways of parking lot "S" at the Apartments to enhance safety and visibility for drivers exiting the apartment driveways. The amount of red curb proposed to be installed at Driveway #1 and Driveway #2 is summarized below.

1. Install 32 feet of red curb "No Parking" to the east of Driveway #1. This will result in the loss of one (1) on-street parking spaces;
2. Install 25 feet of red curb "No Parking" to the east of Driveway #2. This will result in the loss of one (1) on-street parking space. The proposed 25 feet of red curb "No Parking" to the east of Driveway #2 will add an additional 20 feet of existing red curb "No Parking" for a total of 45 feet of red curb "No Parking";

ATTACHMENTS:

1. Public Request
2. Public Notice
3. Location Map
4. Photos
5. Traffic Collision History

2018-04

From:
Sent:
To:
Subject:

Good afternoon Mr. Zappiello,

I am writing to you at request of our resident, Mr. Sergio Rivera who resides a ; National City, CA 91950. Mr. Rivera has advised me that he has been to the Public Works Department to request that the sidewalk curb along the East side of the driveway of our Parking Lot S be painted RED, as cars parked alongside the driveway exit hinder the view of oncoming traffic; thereby making a left hand turn nearly impossible. Mr. Rivera has informed me that his request was denied due to the request had to come from management.

I was under the impression that we are not able, nor responsible for determining whether a curb needs to be painted red, as I am sure that your department is better qualified to determine the feasibility of a red curb. As Mr. Rivera has informed me that his exiting that driveway entrance I would like to request that you make a determination to paint or not paint the curb red in order to prevent future accidents.

Thank you in advance for your assistance with this matter. Should you have any questions, please free to call me at (

Respectfully,

Sharon K. Ramirez, COO/General Manager
San Diego County Building Trades Council
Family Housing Corporation 1,2,3, dba
National City Park Apartments
2323 "D" Avenue, National City, CA 91950

Email:

This e-mail and any files transmitted with it are the property of NCPA, are confidential, and are intended solely for the use of the individual or entity to whom this e-mail is addressed. If you are not one of the named recipient(s) or otherwise have reason to believe that you have received this message in error, please notify the sender at [619 477-3114] and delete this message immediately from your computer. Any other use, retention, dissemination, forwarding, printing, or copying of this e-mail is strictly prohibited.



April 4, 2018

Resident/Property Owner

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2018-04

REQUEST TO INSTALL RED CURB "NO PARKING" ON THE NORTH SIDE OF E. 24TH STREET ADJACENT TO THE DRIVEWAYS OF "NATINAL CITY PARK APARTMENTS" IN ORDER TO ENHANCE SAFETY AND VISIBILITY FOR DRIVERS EXITING THE APARTMENT DRIVEWAYS

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Meeting scheduled for **Wednesday, April 11, 2018, at 1:00 P.M.** in the 2nd Floor Large Conference Room of the Civic Center Building, 1243 National City Boulevard, to discuss the above-referenced item.

The City Hall is ADA compliance. Please note that there are two disabled persons parking spaces in front of City Hall on the east side of National City that provide direct access on the 2nd Floor of City Hall via a pedestrian bridge.

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2018-04.

Sincerely,

Stephen Manganiello
City Engineer

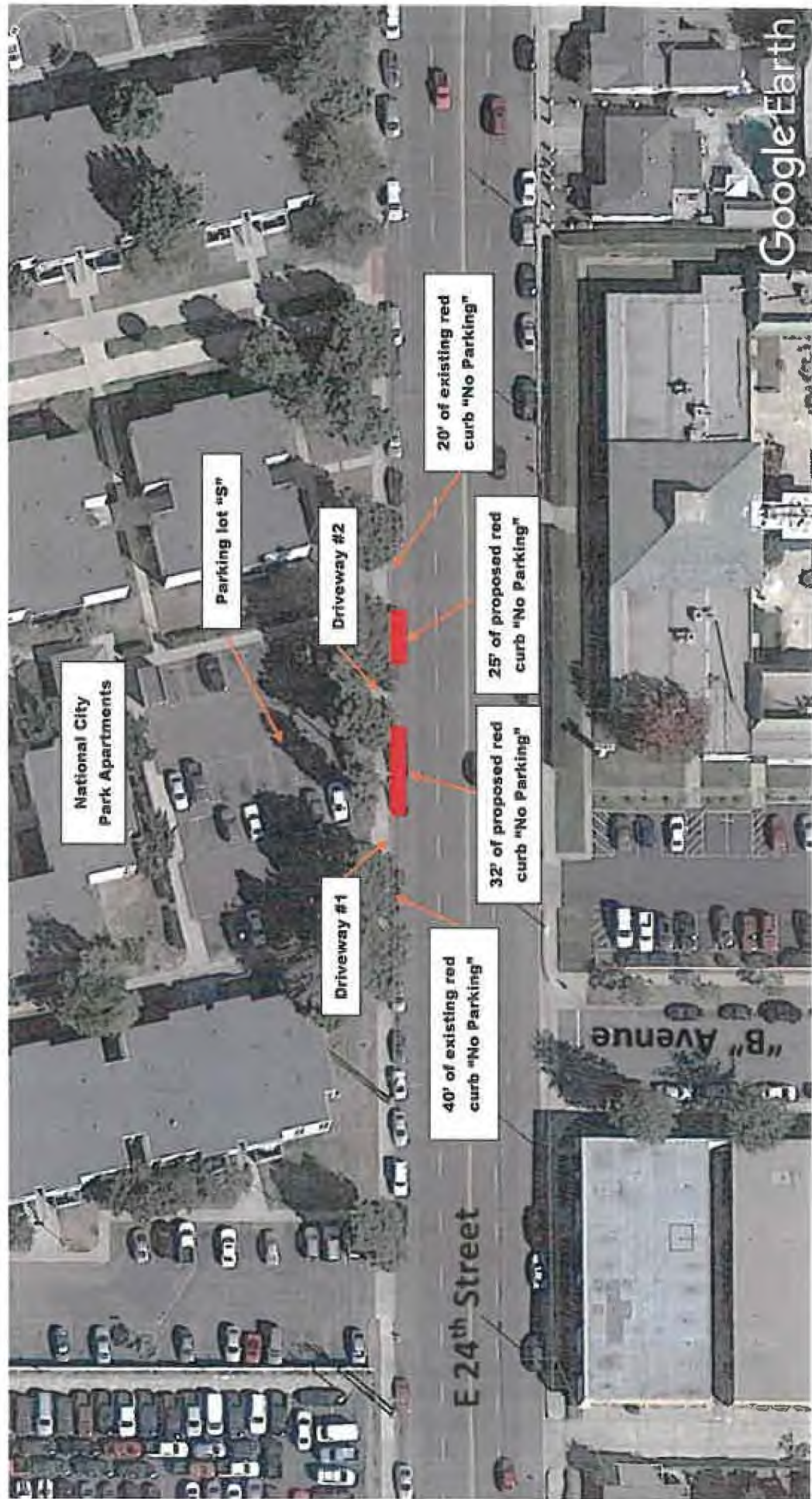
SM:lz

Enclosure: Location Map

2018-04

1234 National City Boulevard, National City, CA 91950-6530
(619) 336-4380 Fax (619) 336-4397 engineering@nationalcityca.gov

Location Map with Recommended Enhancements (TSC Item: 2018-04)





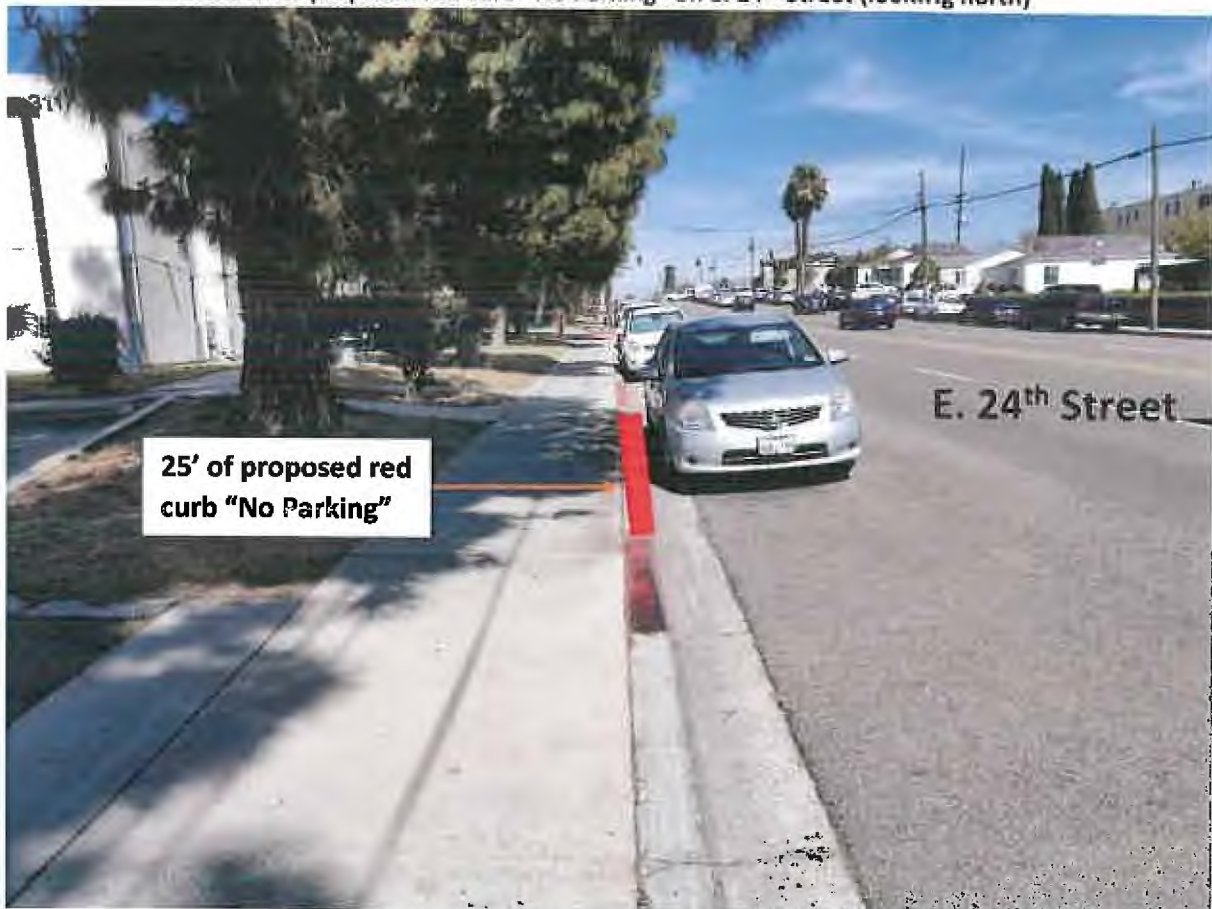
Location of proposed red curb "No Parking" on E. 24th Street (looking west)



Location of proposed red curb "No Parking" on E. 24th Street (looking east)



Location of proposed red curb "No Parking" on E. 24th Street (looking north)



Location of proposed red curb "No Parking" on E. 24th Street (looking east)



Location of proposed red curb "No Parking" on E. 24th Street (looking north)

From January 1, 2014 -- February 1, 2018, there were 4 traffic collisions on the E. 24th Street adjacent to the parking lot "S" of "National City Park Apartments"

158 of 489

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the conversion of 4-hour parallel parking to 30-minute parking located on the south side of the 100 block of W. 33rd Street in front of National/54 Self Storage to increase parking tu

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the conversion of 4-hour parallel parking to "30-minute" parking located on the south side of the 100 block of W. 33rd Street in front of National/54 Self Storage to increase parking turnover for customers (TSC No. 2018-05).

PREPARED BY: Luca Zappiello, Junior Engineer – Civil

DEPARTMENT: Engineering/Public Works

PHONE: 619-336-4360

APPROVED BY: _____

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

N/A

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: ☐

FINAL ADOPTION: ☐

STAFF RECOMMENDATION:

Adopt a Resolution authorizing the conversion of 4-hour parallel parking to "30-minute" parking located on the south side of the 100 block of W. 33rd Street in front of National/54 Self Storage.

BOARD / COMMISSION RECOMMENDATION:

At their meeting on April 11, 2018, the Traffic Safety Committee approved staff's recommendation to convert 4-hour parking to "30-minute" parking located on the south side of the 100 block of W. 33rd Street in front of National/54 Self Storage.

ATTACHMENTS:

1. Explanation w/ Exhibit
2. Staff Report to the Traffic Safety Committee on April 11, 2018 (TSC No. 2018-05)
3. Resolution

EXPLANATION

Mr. Douglas Stirling, Manager of National/54 Self Storage, located at 132 W. 33rd Street, has requested time restricted parking on the south side of W. 33rd Street in front of his business in order to increase parking turnover for customers. Mr. Stirling stated that customers are unable to find on-street parking nearby and are forced to drive out of the area in order to find available parking. Furthermore, Mr. Stirling stated that parking spaces in front of his business are frequently occupied by vehicles all day and the conversion of 4-hour parking spaces to 30-minutes parking spaces will increase parking turnover for his customers and allow for more efficient enforcement.

Staff visited the site and verified that the self-storage facility is located on the south side of W. 33rd Street, just west of National City Boulevard. The facility has three driveways. The facility has three floors with 650 self-storage units and has elevators for customers to access the storage units on the upper and lower floors. The facility does not have an on-site parking lot.

There are existing 4-hour parallel parking spaces on the south side of W. 33rd Street between National City Boulevard and Hoover Avenue.

This item was presented to the Traffic Safety Committee on April 11, 2018. Public notices were mailed to area residents inviting them to attend the meeting. There were no members of the community present to speak on the item.

Staff presented the results of the site evaluation and after discussion, the Traffic Safety Committee voted to approve staff's recommendation to convert the existing 4-hour parallel parking spaces to 30-minute parking spaces on the south side of the 100 block of W. 33rd Street in front of National/54 Self Storage to increase parking turnover for customers. The location and amount of existing 4-hour parking proposed for conversion to 30-minute parking is summarized below. Driveway #1 represents the easternmost driveway, while Driveway #3 represents the westernmost driveway.

1. Convert 130 feet (equal to six (6) parking spaces) from 4-hour to 30-minute on the east side of Driveway #1;
2. Convert 60 feet (equal to three (3) parking spaces) from 4-hour to 30-minute on the east side of Driveway #2;
3. Convert 160 feet (equal to eight (8) parking spaces) from 4-hour to 30-minute on the east side of Driveway #3;

If approved by City Council, all work will be performed by City Public Works.

Location Map with Recommended Enhancements (TSC Item: 2018-05)



**NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR APRIL 11, 2018**

ITEM NO. 2018-05

ITEM TITLE: REQUEST TO INSTALL PARALLEL "30-MINUTE PARKING" LOCATED ON W. 33RD STREET IN FRONT OF "NATIONAL/54 SELF STORAGE" TO INCREASE PARKING TURNOVER FOR CUSTOMERS

PREPARED BY: Luca Zappiello, Junior Engineer - Civil
Engineering & Public Works Department

DISCUSSION:

Mr. Douglas Stirling, manager of "National/54 Self Storage" (Storage), located at 132 W. 33rd Street, has requested time restricted parking on the south side of W. 33rd Street in front of the Storage in order to increase parking turnover for customers. Mr. Stirling stated that customers are unable to find on-street parking easily and drive out of the area in order to find available parking. Furthermore, Mr. Stirling stated that parking spaces in front of his business are frequently occupied by vehicles all day and the conversion of 4-hour parking spaces to 30-minutes parking spaces will facilitate and increase parking turnover for his customers.

Staff visited the site and verified that the Storage is located on the southwest corner between W. 33rd Street and National City Boulevard. The business is a three-floor facility with six hundred and fifty (650) storage units and has elevators for customers to access the storage units on the upper and lower floors. The business does not have an on-site parking lot, however it has aisles and exterior storage units located on the ground level that can be accessed by customer's vehicles. It should be noted that the storage units located on the upper and lower levels cannot be accessed by customer vehicles.

There is existing 4-hour parallel parking spaces on the south side of W. 33rd Street between National City Boulevard and Hoover Avenue. Staff confirmed that the Storage has three separate driveways on the south side of W. 33rd Street.

STAFF RECOMMENDATION:

Staff recommendation to convert the existing 4-hour parking spaces to 30-minutes parking spaces on the south side of W. 33rd Street in front of the "National/54 Self Storage". The amount of curb requested for time restricted conversion parking is summarized below. Driveway #1 represents the easternmost driveway, while Driveway #3 represents the westernmost driveway.

1. Convert 130 feet (equal to six (6) parking spaces) from 4-hour to 30-minute on the east side of Driveway #1;
2. Convert 60 feet (equal to three (3) parking spaces) from 4-hour to 30-minute on the east side of Driveway #2;

3. Convert 160 feet (equal to eight (8) parking spaces) from 4-hour to 30-minute on the east side of Driveway #3;

EXHIBITS:

1. Correspondence
2. Public Notice
3. Location Map
4. Photos

2018-05

From: Douglas Stirling <Douglas@sdss1.com>
Sent: Monday, April 02, 2018 12:11 PM
To: Luca Zappiello
Subject: National/54 Self Storage- Parking limit conversion request

Mr. Zappiello-

I would like to request that the 4-hour parking limit and signage be converted to 30-minute parking along the frontage of our property, National/54 Self Storage. Long term parking (4-hours or more) in front of our property has had a significant negative impact on access to our business. We have had multiple complaints by perspective customers regarding the lack of parking to access our business. This lack of access greatly impacts our ability to run a profitable business in National City. Individuals understand that 4-hour parking is very difficult to enforce and many vehicles take advantage and park all day or even overnight in front of our business. Thank you for your attention to this matter and please let me know if you require any further information.

Kind Regards,

Douglas Stirling
Area Manager- South
Douglas@sdss1.com
San Diego Self Storage



10531 Sorrento Valley Rd.
San Diego, CA 92121
Office: (858) 453-0888
Cell: (760) 500-2988
Fax: (619) 393-0102
Douglas@sdss1.com
SanDiegoSelfStorage.com





April 4, 2018

Resident/Property Owner

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2018-05

**REQUEST TO INSTALL OF PARALLEL "30-MINUTE PARKING" LOCATED ON
W. 33RD STREET IN FRONT OF "NATIONAL/54 SELF STORAGE" TO INCREASE
PARKING TURNOVER FOR CUSTOMERS**

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Meeting scheduled for **Wednesday, April 11, 2018, at 1:00 P.M.** in the 2nd Floor Large Conference Room of the Civic Center Building, 1243 National City Boulevard, to discuss the above-referenced item.

The City Hall is ADA compliance. Please note that there are two disabled persons parking spaces in front of City Hall on the east side of National City that provide direct access on the 2nd Floor of City Hall via a pedestrian bridge.

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2018-02.

Sincerely,

Stephen Manganiello
City Engineer

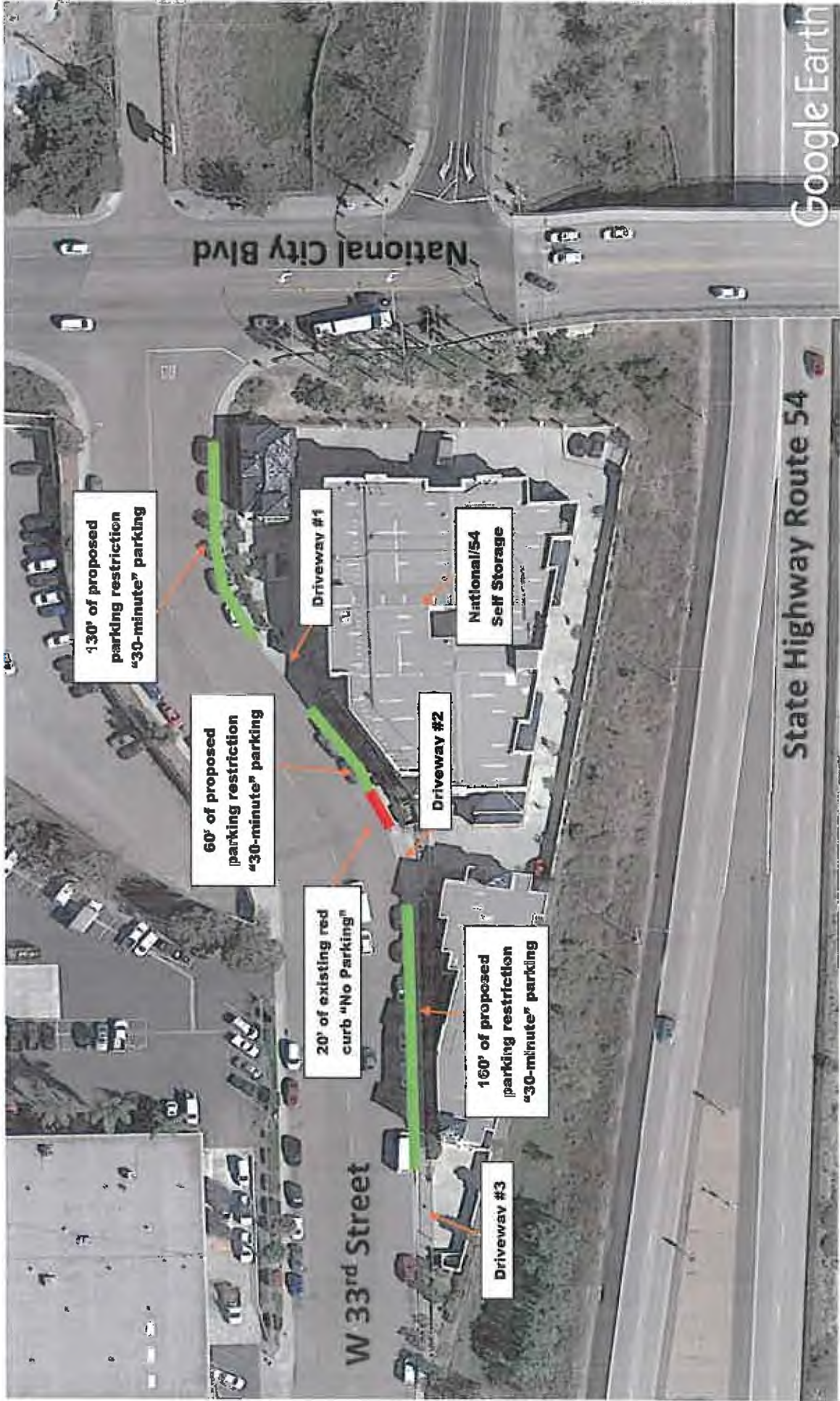
SM:lz

Enclosure: Location Map

2018-05

1234 National City Boulevard, National City, CA 91950-6530
(619) 336-4380 Fax (619) 336-4397 engineering@nationalcityca.gov

Location Map with Recommended Enhancements (TSC Item: 2018-05)





Location of proposed parking restriction "30-minute" parking in front of "National/54 Self Parking" (looking east)



Location of proposed parking restriction "30-minute" parking in front of "National/54 Self Parking" (looking east)



Location of proposed parking restriction "30-minute" parking in front of "National/54 Self Parking" (looking south)

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of a blue curb disabled persons parking space with sign in front of the residence located at 254 E. 31st Street (TSC No. 2018-06). (Engineering/Public Works)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the installation of a blue curb disabled persons parking space with sign in front of the residence located at 254 E. 31st Street (TSC No. 2018-06).

PREPARED BY: Luca Zappiello, Junior Engineer – Civil

PHONE: 619-336-4360

DEPARTMENT: Engineering/Public Works

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

ACCOUNT NO.

N/A

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: ☐

FINAL ADOPTION: ☐

STAFF RECOMMENDATION:

Adopt Resolution authorizing installation of a blue curb disabled persons parking space with sign in front of the residence located at 254 E. 31st Street.

BOARD / COMMISSION RECOMMENDATION:

At their meeting on April 11, 2018, the Traffic Safety Committee approved staff's recommendation to install a blue curb disabled persons parking space with sign in front of the residence located at 254 E. 31st Street.

ATTACHMENTS:

1. Explanation w/ Exhibit
2. Staff Report to the Traffic Safety Committee on April 11, 2018 (TSC No. 2018-06)
3. Resolution

EXPLANATION

Mr. Armando Blanco, property owner of 254 E. 31st Street, has requested a blue curb disabled persons parking space in front of his residence. The resident possesses a valid disabled person placard from the California Department of Motor Vehicles. Mr. Blanco's sister, Ms. Maricela Blanco stated that it is difficult to find on-street parking close to her house and the new multifamily apartments that are under construction next to her house will make parking even more difficult to find. Ms. Blanco also stated that having parking available in front of her house is very important since she assists her brother who uses a wheelchair. Mr. Blanco indicated that she installed an access ramp in front of the house to provide access for her brother to the house. Ms. Blanco also stated that she has a manual gate on the side of the house that provides access to the driveway, which has a steep slope.

Staff visited the site and confirmed that Mr. Blanco does not have a garage but does have a driveway located on the side of the house. Staff confirmed that the driveway has a manual gate that is 12 feet wide. The driveway is 12 feet wide and 60 feet long. The slope of the driveway is approximately 5%. The Americans with Disabilities Act (ADA) requires that the slope be 2% or less to accommodate a vehicle with a disabled driver or passenger.

The City Council has adopted a policy which is used to evaluate requests for disabled persons parking spaces. The City Council Disabled Persons Parking Policy requirements for "Special Hardship" cases are as follows:

1. Applicant (or guardian) must be in possession of valid license plates or placard for "disabled persons" or "disabled veterans". This condition is met.
2. The proposed disabled parking space must be in front (or side if on a corner lot) of the applicant's (or guardian's) place of residence. This condition is met.
3. The residence must not have useable off-street parking available or an off-street space available that may be converted into disabled parking. This condition is met, since the slope of the applicant's driveway is greater than 2%, which does not meet ADA standards.

This item was presented to the Traffic Safety Committee on April 11, 2018. Mr. Blanco was in attendance and spoke in support a blue curb disabled persons parking space in front of his residence. Staff presented the results of the site evaluation and after discussion, the Traffic Safety Committee voted to approve staff's recommendation to install a blue curb disabled persons parking space with sign, since all three conditions of the City Council Disabled Persons Parking Policy for "Special Hardship" cases are met.

Staff informed Mr. Blanco that any person with a valid disabled persons license plate or placard may park in the blue curb parking space.

If approved by City Council, all work will be performed by City Public Works

Location Map with Recommended Enhancements (TSC Item: 2018-06)



**NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR APRIL 11, 2018**

ITEM NO. 2018-06

ITEM TITLE: **REQUEST FOR INSTALLATION OF A BLUE CURB DISABLED PERSONS PARKING SPACE WITH SIGNAGE IN FRONT OF THE RESIDENCE LOCATED AT 254 E. 31ST STREET**

PREPARED BY: Luca Zappiello, Junior Engineer – Civil
Engineering & Public Works Department

DISCUSSION:

Mr. Armando Blanco, property owner of 254 E. 31st Street, has requested a blue curb disabled persons parking space in front of his residence. The resident possesses a valid disabled person placard from the California Department of Motor Vehicles. Mr. Blanco's sister, Ms. Maricela Blanco stated that it is difficult to find on-street parking available close to her house and the new multifamily apartments that are under construction next to her house will make parking even more difficult to find. Ms. Blanco also stated that having parking available in front of her house is very important since she assists her brother who uses a wheelchair. Mr. Blanco indicated that she installed an access ramp in front of the house to provide access for her brother to the house. Ms. Blanco also stated that she has a manual gate on the side of the house that provides access to the driveway which is inclined.

Staff visited the site and confirmed that Mr. Blanco does not have a garage but he has a driveway located on the side of the house. Staff confirmed that the driveway has a manual gate that is 12 feet wide. The slope of the driveway is approximately 5%, and it is 12 feet wide and 60 feet long. The American with Disabilities Act states that the maximum slope of 2% is required in order to accommodate a vehicle with a disabled driver or passenger.

The City Council has adopted a policy which is used to evaluate requests for disabled persons parking spaces. The City Council Disabled Persons Parking Policy requirements for "Special Hardship" cases are as follows:

1. Applicant (or guardian) must be in possession of valid license plates or placard for "disabled persons" or "disabled veterans". *This condition is met.*
2. The proposed disabled parking space must be in front (or side if on a corner lot) of the applicant's (or guardian's) place of residence. *This condition is met.*
3. The residence must not have useable off-street parking available or an off-street space available that may be converted into disabled parking. *This condition is met, since the applicant has a driveway with a slope that is higher than 2% and it cannot accommodate a vehicle with a disabled driver or passenger.*

STAFF RECOMMENDATION:

Since all of the three conditions of the City Council Disabled Persons Parking Policy for "Special Hardship" cases are met, staff recommends installation of a blue curb disabled persons parking space with signage in front of the residence located at 254 E. 31st Street.

EXHIBITS:

1. Public Request Form
2. Public Notice
3. Location Map
4. Photos
5. City Council Disabled Persons Parking Policy

2018-06

NO PM 2:32 JAN25/18

CITY OF NATIONAL CITY

REQUEST FOR BLUE CURB DISABLED PERSONS PARKING SPACE

NAME OF DISABLED PERSON: ARMANDO G. BLANCO

NAME OF REPRESENTATIVE FOR DISABLED PERSON (if different from above):
MARICELA C. BLANCO

ADDRESS: 254 E 31ST ST NATIONAL CITY, CA 91950

EMAIL: 1

PHONE NUMBER: 1

Please answer the following questions, which will assist Engineering staff, the Traffic Safety Committee, and your City Council in determining if you are qualified to have a blue curb disabled persons parking space placed in front of your residence. Please be informed that all blue curb parking spaces are considered public parking. Therefore, any registered vehicle in possession of a disabled persons placard or license plate is legally allowed to park in the blue curb space for up to 72 continuous hours.

1) Do you possess a valid disabled person's placard issued by the California Department of Motor Vehicles (DMV)? ☒ YES ☐ NO
If YES, please include a copy of the placard, which contains your name, address, placard number, and expiration date.

2) Does your residence have a garage? ☐ YES ☒ NO

If YES, is the garage large enough to park a vehicle (minimum of 20' x 12') ☐ YES ☒ NO

3) Does your residence have a driveway? ☒ YES ☐ NO

If YES, a) is the driveway large enough to park a vehicle? (minimum of 20' x 12') ☒ YES ☐ NO

b) is the driveway level? ☐ YES ☒ NO

c) is the driveway sloped/inclined? ☒ YES ☐ NO

4) Please write any additional comments here (optional).

ARMANDO is AN ADULT with
PROBLEMS WITH HIS JOINTS. He
HAS difficulty getting up steps or down
HE is off and on and
through out the year. HAS

: Pls do consider this
request. Thank you. Maricela C Blanco

DEPARTMENT OF MOTOR VEHICLES

PLACARD NUMBER:

DISABLED PERSON
PLACARD IDENTIFICATION
CARD/RECEIPT

EXPIRES: 06/30/2019

DATE ISSUE:



A Public Service Agency

This identification card or facsimile copy is to be carried by the placard owner. Present it to any peace officer upon demand. Immediately notify DMV by mail of any change of address. When parking, hang the placard from the rear view mirror, removes it from the mirror when driving.

When your placard is properly displayed, you may park in or on:

- * Disabled person parking spaces (blue zones)
- * Street metered zones without paying.
- * Green zones without restrictions to time limits.
- * Streets where preferential parking privileges are given to residents and merchants.

CO: 37

TV: 92

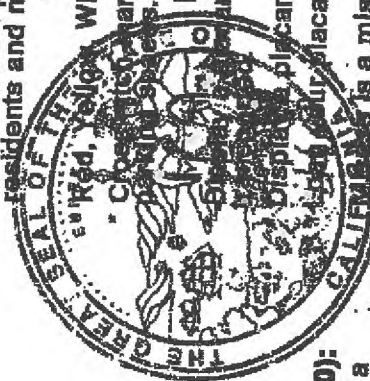
TYPE: N1

DOB: 1

ISSUED TO

BLANCO ARMANDO
254 E 31ST ST

NATIONAL CITY CA 91950



You may not park in or on:
* Disabled, Red, Yellow, White or Tow Away Zones.
* Designated marked spaces next to disabled person parking spaces.

It is considered misuse to:

* Display your placard unless the disabled owner is being

Purchase of fuel

(Business & Professions Code 13660):

* State law requires service stations to refuel a disabled person's vehicle at self-service rates, except self-service facilities with only one cashier.

display a placard which has been cancelled or revoked.

* Display your placard to anyone, including family members.

* Result in cancellation or revocation of the placard, loss

of parking privileges, and/or fines.

016
07/2000 Rev4/10



April 4, 2018

Resident/Property Owner

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2018-06

**REQUEST FOR INSTALLATION OF A BLUE CURB DISABLED PERSONS
PARKING SPACE WITH SIGNAGE IN FRONT OF THE RESIDENCE LOCATED
AT 254 E. 31ST STREET**

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Meeting scheduled for **Wednesday, April 11, 2018, at 1:00 P.M.** in the 2nd Floor Large Conference Room of the Civic Center Building, 1243 National City Boulevard, to discuss the above-referenced item.

The City Hall is ADA compliance. Please note that there are two disabled persons parking spaces in front of City Hall on the east side of National City that provide direct access on the 2nd Floor of City Hall via a pedestrian bridge.

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2018-06.

Sincerely,

Stephen Manganiello
City Engineer

SM:iz

Enclosure: Location Map

2018-06

1234 National City Boulevard, National City, CA 91950-6530
(619) 336-4380 Fax (619) 336-4397 engineering@nationalcityca.gov

Location Map with Recommended Enhancements (TSC Item: 2018-06)





Location of proposed blue curb disabled persons parking space in front of 254 E. 31th Street (looking south)



Lateral entrance gate and driveway of residence of 254 E. 31th Street (looking south)



Lateral driveway of residence of 254 E. 31th Street (looking south)

DISABLED PERSONS PARKING POLICY

The purpose of a disabled persons parking zone is to provide designated parking spaces at major points of assembly for the exclusive use of physically disabled persons whose vehicle displays a distinguishing license plate as authorized by the California Department of Motor Vehicles.

The City Council may upon recommendation of the City Engineer, designate specially marked and posted on-street parking spaces for disabled persons pursuant to California Vehicle Code 21101, et seq. at the following facilities:

1. Government buildings serving the public such as administration buildings, public employment offices, public libraries, police stations, etc.
2. Hospitals and convalescent homes with more than 75-bed capacity.
3. Medical facilities and doctors' offices staffed by a maximum of five practitioners. Zones shall be located to serve a maximum number of facilities on one block.
4. Community service facilities such as senior citizens service centers, etc.
5. Accredited vocational training and educational facilities where no off-street parking is provided for disabled persons.
6. Employment offices for major enterprises employing more than 200 persons.
7. Public recreational facilities including municipal swimming pools, recreation halls, museums, etc.
8. Public theaters, auditoriums, meeting halls, arenas, stadiums with more than 300 seating capacity.
9. Other places of assembly such as schools and churches.
10. Commercial and/or office building(s) with an aggregate of more than 50,000 square feet of usable floor space. Zone shall be located to serve a maximum number of facilities on one block.
11. Hotels catering to daily guests, maintaining a ground floor lobby and a switchboard that is operated 24 hours per day.

12. A hotel or apartment house catering to weekly or monthly guests and containing more than 30 separate living units.

In addition, disabled persons parking spaces may be provided within all publicly owned, leased or controlled off-street parking facilities as specified in the General Requirements.

General Requirements

Each disabled persons parking space shall be indicated by blue paint and a sign (white on blue) showing the international symbol of accessibility (a profile view of a wheelchair with occupant).

Where installed under the above criteria the total number of disabled persons curb parking spaces will be limited to 3% of the total number of on-street parking spaces available in the area and shall be distributed uniformly within the area.

Disabled persons parking will not be installed at locations with a full-time parking prohibition. When a disabled persons parking zone is installed where a part-time parking prohibition is in effect, the disabled persons parking zone will have the same time restrictions as the part-time parking prohibition.

The cost of installing disabled persons parking will be assumed by the City on public streets and public off-street parking facilities.

In establishing on-street parking facilities for the disabled there shall be a reasonable determination made that the need is of an on-going nature. The intent is to prevent the proliferation of special parking stalls that may be installed for a short-term purpose but later are seldom used. Unjustified installation of such parking stalls unnecessarily increases the City's maintenance and operations costs, reduce available on-street parking for the general public, and detract from the overall effectiveness of the disabled persons parking program.

Special Hardship Cases

It is not the intention of the City to provide personal reserved parking on the public right-of-way, especially in residential areas. However, exceptions may be made, in special hardship cases, provided all of the following conditions exists:

- (1) Applicant (or guardian) must be in possession of valid license plates for "disabled persons" or "disabled veterans."
- (2) The proposed disabled parking space must be in front of the applicant's (or guardian's) place of residence.

- (3) Subject residence must not have useable off-street parking available or off-street space available that may be converted into disabled parking.

NOTE: It must be emphasized that such parking spaces do not constitute "personal reserved parking" and that any person with valid "disabled persons" license plates may park in the above stalls.

Jha:p

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of All-Way Stop Control at the intersection of E. 22nd Street and “A” Avenue in response to safety concerns by area residents. (TSC No. 2018-07). (Engineering/Public

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the installation of All-Way Stop Control at the intersection of E. 22nd Street and "A" Avenue in response to safety concerns by area residents. (TSC No. 2018-07).

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil

PHONE: 619-336-4388

DEPARTMENT: Engineering/Public Works

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

ACCOUNT NO.

N/A

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Adopt Resolution authorizing the installation of All-Way Stop Control at the intersection of E. 22nd Street and "A" Avenue in response to safety concerns by area residents.

BOARD / COMMISSION RECOMMENDATION:

At their meeting on April 11, 2018, the Traffic Safety Committee approved staff's recommendation to install All-Way Stop Control at the intersection of E. 22nd Street and "A" Avenue.

ATTACHMENTS:

1. Explanation w/Exhibit and Traffic Analysis
2. Staff Report to the Traffic Safety Committee on April 11, 2018 (TSC No. 2018-07)
3. Resolution

EXPLANATION

Mr. Bill Cumming, General Manager and President of Ron Baker Chevrolet of National City, located at 2301 National City Boulevard, has requested the installation of All-Way Stop Control at the intersection of E. 22nd Street and "A" Avenue. Mr. Cumming stated that it is difficult to see eastbound vehicles on E. 22nd Street when traveling northbound on "A" Avenue, which presents a safety concern for drivers. Mr. Cumming stated that there were several accidents at this intersection.

Staff performed a site evaluation of the intersection of E. 22nd Street and "A" Avenue. Both E. 22nd Street and "A" Avenue are 2-lane local roadways with parallel parking on both sides of the streets and prima facie speed limits of 25 mph. Staff confirmed that the intersection is uncontrolled for E. 22nd and controlled by Yield signs for "A" Avenue.

In order to assess whether or not All-Way Stop control is warranted at this intersection, City Engineering staff authorized Kimley-Horn & Associates to perform a formal All-Way Stop warrant analysis consistent with the guidelines provided in the California Manual on Uniform Traffic Control Devices (CA-MUTCD). See attached traffic analysis dated March 5, 2018. The analysis included review of 48-hour Average Daily Traffic (ADT) data collected in February 2018, and collision history over a two-year period. Based on the traffic volumes and collision history, the intersection was not found to meet the warrants for All-Way Stop control.

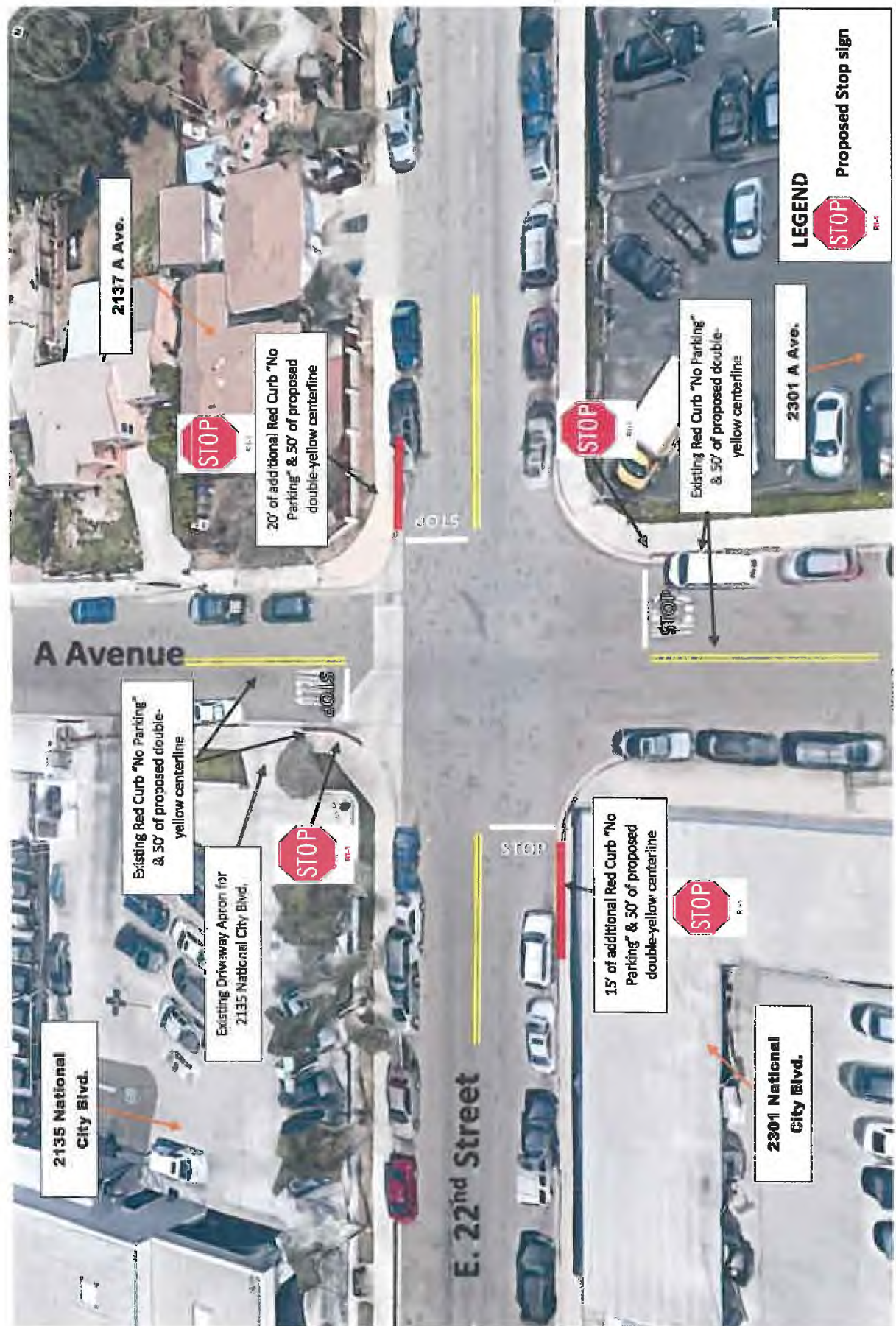
However, based on the restricted sight distances observed from both eastbound E. 22nd Street and northbound "A" Avenue, Kimley-Horn & Associates recommends installation of All-Way Stop control at the intersection. This recommendation is supported by the CA-MUTCD, which allows for the consideration of other criteria, such as locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop.

This item was presented to the Traffic Safety Committee on April 11, 2018. Ms. Cumming from Ron Baker Chevrolet was present to speak on the item. Ms. Cumming confirmed Mr. Cumming's statements regarding safety. Staff presented the results of the site evaluation and All-Way Stop warrant analysis, which supports installation of All-Way Stop control at the intersection of E. 22nd Street and "A" Avenue. After discussion, the Traffic Safety Committee voted to approve the staff recommendation.

Based on the results of the site evaluation and All-Way Stop warrant analysis, staff recommends the installation of All-Way Stop control at the intersection of E. 22nd Street and "A" Avenue. California Vehicle Code and National City Municipal Code require a minimum of 25 feet of red curb "No Parking" for each approach to a Stop sign. In addition, staff recommends striping 50 feet of double-yellow centerline for each approach to better channelize drivers approaching the Stop signs. These improvements, which will enhance safety and visibility for drivers, will result in the loss of one on-street parallel parking space for the westbound approach to the intersection.

If approved by City Council, all work will be performed by City Public Works.

Location Map with Recommended Enhancements (TSC Item: 2018-07)



MEMORANDUM

To: Stephen Manganiello
City of National City
From: Leo Espelet
Kimley-Horn and Associates, Inc.
Date: March 5, 2018
Subject: 22nd Street stop control evaluation at A Avenue

This memorandum was prepared to evaluate the use of side-street stop-control and all-way stop control at the intersection of 22nd Street and A Avenue in the City of National City.

22nd Street is a 2-lane local roadway operating east-west with parking on both sides providing access to both commercial and residential areas. A Avenue is a 2-lane roadway with on-street parking, operating north-south through the City of National City. The intersection operates as two-way yield controlled, with 22nd Street operating as the free movement. **Figure 1** illustrates the existing intersection conditions.

The guiding document for the evaluation of intersection traffic control is the 2014 California Manual on Uniform Traffic Control Devices (CA-MUTCD). The applicable CA-MUTCD excerpt is provided in **Appendix A** and summarized below.

Section 2B-06 Stop Sign Applications

The use of stop control on the minor-street approach should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:

- The vehicular traffic volumes on the through street or highway exceed 6,000 vehicles per day;
- A restricted view exists that requires road users to stop to adequately observe conflicting traffic on the through street or highway; and/or
- Crash records indicate that three or more crashes are susceptible to correction by the installation of a stop sign have been reported within a 12-month period, or that five or more such crashes have been reported within a 2-year period. Such crashes include right-angle collisions involving road users on the minor-street approach failing to yield the right-of-way to traffic on the through street.

Section 2B-07 Multi-way Stop Applications

The use of all-way stop control should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:

Crashes:

- Five or more reported crashes in a 12-month period that are susceptible to correction by a multi-way stop installation. Such crashes include right-turn and left-turn collisions as well as right-angle collisions.

Minimum Volumes:

- The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for any 8 hours of an average day, and
- The combined vehicular, pedestrian, and bicycle volume entering the intersection from the minor street approaches (total of both approaches) averages at least 200 units per hour for the same 8 hours, with an average delay to minor-street vehicular traffic of at least 30 seconds per vehicle during the highest hour, but
- If the 85th-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants are 70 percent of the values provided in the prior two bulleted items.

Other Criteria:

- The need to control left-turn conflicts;
- The need to control vehicle/pedestrian conflicts near locations that generate high pedestrian volumes;
- Locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop; and
- An intersection of two residential neighborhood collectors (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

As a part of the analysis, 48-hour ADT counts and speeds were collected at 22nd Street and A Avenue from Tuesday, February 6th, 2018 to Wednesday, February 7th, 2018. These counts are provided in **Appendix B**.

Crash data was collected through the Transportation Injury Mapping System (TIMS). At the time of this memorandum, crash data through the end of 2016 was available. Zero collisions occurred within a 2-year period of this study at the intersection of 22nd Street and A Avenue.

Side-street Stop Control Evaluation**Minimum Volumes:**

Based on collected traffic volumes, the intersection at 22nd Street and A Avenue was not found to meet the minimum daily volume threshold. The average of the daily traffic counts on through street 22nd Street was found to be 1,259 vehicles per day. A summary of traffic volumes is presented in **Table 1**.

Crashes:

Crash history from 2015 and 2016 was reviewed for this analysis. Reviewing crash history at the analyzed intersection revealed zero crashes within the 2-year window.

All-way Stop Control Evaluation***Crashes:***

As stated above, the intersection of 22nd Street and A Avenue had zero reported crashes within the most recent 2015 to 2016 24-month period.

Minimum Volumes:

Based on collected traffic volumes, the intersection was not found to meet the minimum volume thresholds for the same eight hours of a day. The average traffic volumes for the peak eight hours on 22nd Street was found to be 91 vehicles. The average traffic A Avenue for the corresponding eight hours was 54 vehicles. Directional traffic volumes are presented in **Table 1**.

Other Criteria:

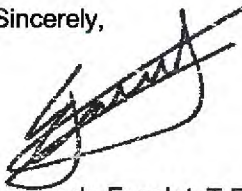
A review of corner sight distance was completed on the four legs of the intersection. Based on existing conditions observed in the field, visual obstructions were found to restrict the view of northbound traffic from the eastbound approach. Additionally, views of the eastbound traffic from the yield controlled northbound approach were found to be obstructed. Left-turn conflict, or vehicle/pedestrian conflict issues were not observed in the field.

Conclusion:

The intersection of 22nd Street and A Avenue was not found to meet the warrants for either two-way stop control or an all-way stop control based on observed traffic volumes or crash history. Based on the restricted sight distances observed from both 22nd Street and A Avenue, stop control is recommended on all approaches to the intersection.

Please call me if you have any questions or comments.

Sincerely,



Leonardo Espelet, T.E.
RTE #2678

Attachments:

- Figure 1 - Existing Intersection Map
- Table 1 - Intersection Approach Volumes
- Appendix A – Applicable CA-MUTCD Traffic Control Excerpts
- Appendix B – Existing Traffic Count Data Sheets

K:\SND_TPTO\095811047_130 Traffic Counts and Analysis\Reports\Grove St & 14th

Figure 1 - Existing Intersection Map

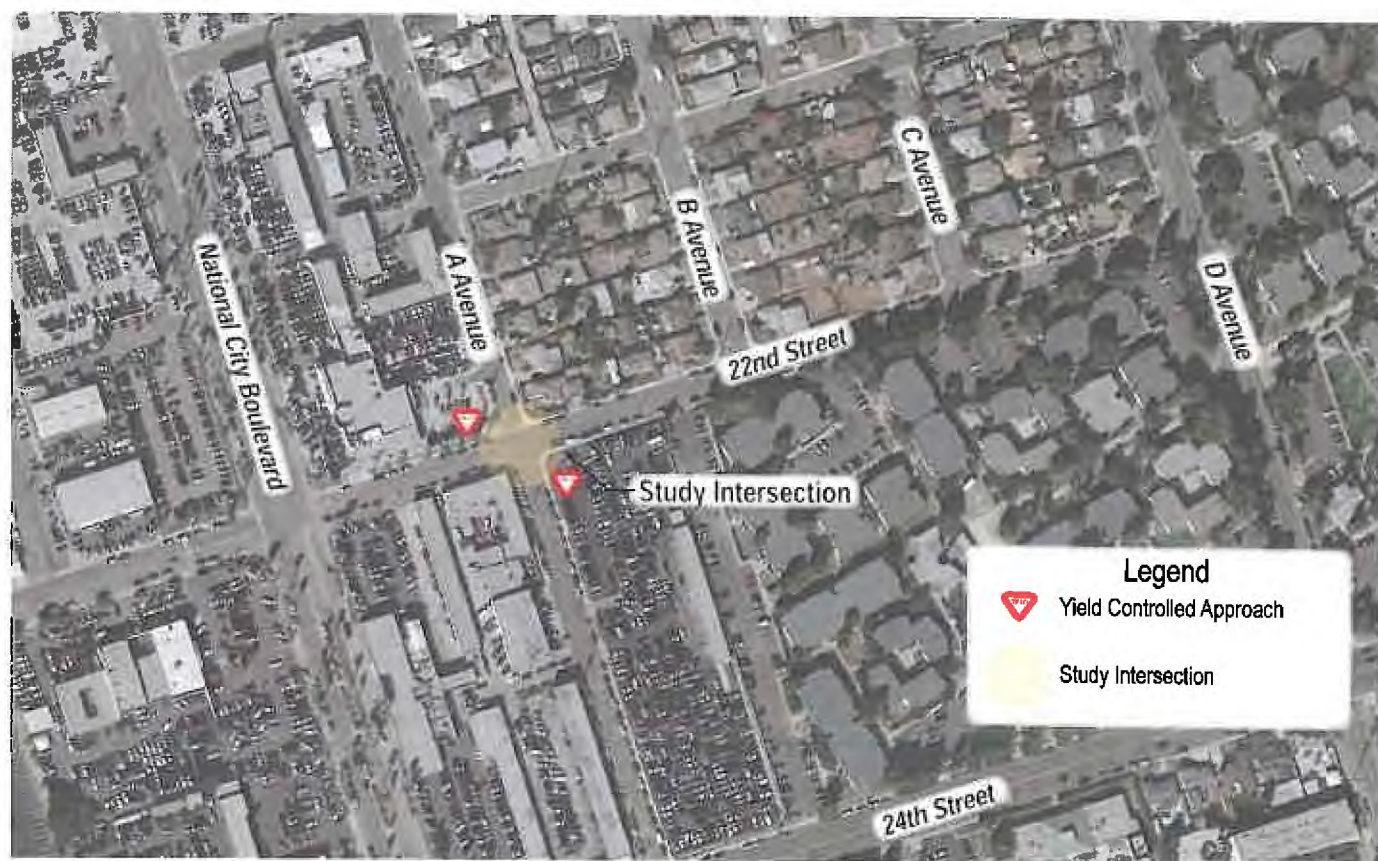


Table 1 - Intersection Approach Volumes

TABLE 1
SUMMARY OF INTERSECTION APPROACH VOLUMES

Time of Day	APPROACH VOLUMES	
	22nd Street EB + WB ^(a)	A Avenue NB + SB ^(a)
0:00 a.m. to 1:00 a.m.	6	3
1:00 a.m. to 2:00 a.m.	6	4
2:00 a.m. to 3:00 a.m.	6	4
3:00 a.m. to 4:00 a.m.	6	3
4:00 a.m. to 5:00 a.m.	13	3
5:00 a.m. to 6:00 a.m.	33	3
6:00 a.m. to 7:00 a.m.	63	28
7:00 a.m. to 8:00 a.m.	104	45
8:00 a.m. to 9:00 a.m.	61	48
9:00 a.m. to 10:00 a.m.	53	36
10:00 a.m. to 11:00 a.m.	55	30
11:00 a.m. to 12:00 p.m.	59	50
12:00 p.m. to 1:00 p.m.	79	54
1:00 p.m. to 2:00 p.m.	74	64
2:00 p.m. to 3:00 p.m.	107	66
3:00 p.m. to 4:00 p.m.	96	49
4:00 p.m. to 5:00 p.m.	102	65
5:00 p.m. to 6:00 p.m.	93	52
6:00 p.m. to 7:00 p.m.	80	39
7:00 p.m. to 8:00 p.m.	54	23
8:00 p.m. to 9:00 p.m.	38	14
9:00 p.m. to 10:00 p.m.	32	15
10:00 p.m. to 11:00 p.m.	28	15
11:00 p.m. to 12:00 a.m.	19	7
Daily Total	1259	714
Average of Highest 8 Hours	91	54

Notes:

(a) This data represents the average of two day counts collected at 22nd Street and A Avenue. The data was collected in February 2018.

(b) **Bold** = Highest Eight Hour of Traffic

Appendix A – MUTCD AWSC Warrant

Support:

¹⁷ Caltrans will grant such permission only when an investigation indicates that the STOP (R1-1) sign will benefit traffic.

Section 2B.06 STOP Sign Applications

Guidance:

⁰¹ At intersections where a full stop is not necessary at all times, consideration should first be given to using less restrictive measures such as YIELD signs (see Sections 2B.08 and 2B.09).

⁰² The use of STOP signs on the minor-street approaches should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:

- A. The vehicular traffic volumes on the through street or highway exceed 6,000 vehicles per day;
- B. A restricted view exists that requires road users to stop in order to adequately observe conflicting traffic on the through street or highway; and/or
- C. Crash records indicate that three or more crashes that are susceptible to correction by the installation of a STOP sign have been reported within a 12-month period, or that five or more such crashes have been reported within a 2-year period. Such crashes include right-angle collisions involving road users on the minor-street approach failing to yield the right-of-way to traffic on the through street or highway.

Support:

⁰³ The use of STOP signs at grade crossings is described in Sections 8B.04 and 8B.05.

Section 2B.07 Multi-Way Stop Applications

Support:

⁰¹ Multi-way stop control can be useful as a safety measure at intersections if certain traffic conditions exist. Safety concerns associated with multi-way stops include pedestrians, bicyclists, and all road users expecting other road users to stop. Multi-way stop control is used where the volume of traffic on the intersecting roads is approximately equal.

⁰² The restrictions on the use of STOP signs described in Section 2B.04 also apply to multi-way stop applications.

Guidance:

⁰³ The decision to install multi-way stop control should be based on an engineering study.

⁰⁴ The following criteria should be considered in the engineering study for a multi-way STOP sign installation:

- A. Where traffic control signals are justified, the multi-way stop is an interim measure that can be installed quickly to control traffic while arrangements are being made for the installation of the traffic control signal.
- B. Five or more reported crashes in a 12-month period that are susceptible to correction by a multi-way stop installation. Such crashes include right-turn and left-turn collisions as well as right-angle collisions.
- C. Minimum volumes:

- 1. The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for any 8 hours of an average day; and
- 2. The combined vehicular, pedestrian, and bicycle volume entering the intersection from the minor street approaches (total of both approaches) averages at least 200 units per hour for the same 8 hours, with an average delay to minor-street vehicular traffic of at least 30 seconds per vehicle during the highest hour; but
- 3. If the 85th-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants are 70 percent of the values provided in Items 1 and 2.
- D. Where no single criterion is satisfied, but where Criteria B, C.1, and C.2 are all satisfied to 80 percent of the minimum values. Criterion C.3 is excluded from this condition.

Option:

⁰⁵ Other criteria that may be considered in an engineering study include:

- A. The need to control left-turn conflicts;
- B. The need to control vehicle/pedestrian conflicts near locations that generate high pedestrian volumes;
- C. Locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop; and

- D. An intersection of two residential neighborhood collector (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

Section 2B.08 YIELD Sign (R1-2)

Standard:

- 01 The YIELD (R1-2) sign (see Figure 2B-1) shall be a downward-pointing equilateral triangle with a wide red border and the legend YIELD in red on a white background.

Support:

- 02 The YIELD sign assigns right-of-way to traffic on certain approaches to an intersection. Vehicles controlled by a YIELD sign need to slow down to a speed that is reasonable for the existing conditions or stop when necessary to avoid interfering with conflicting traffic.

Section 2B.09 YIELD Sign Applications

Option:

- 01 YIELD signs may be installed:

- A. On the approaches to a through street or highway where conditions are such that a full stop is not always required.
- B. At the second crossroad of a divided highway, where the median width at the intersection is 30 feet or greater. In this case, a STOP or YIELD sign may be installed at the entrance to the first roadway of a divided highway, and a YIELD sign may be installed at the entrance to the second roadway.
- C. For a channelized turn lane that is separated from the adjacent travel lanes by an island, even if the adjacent lanes at the intersection are controlled by a highway traffic control signal or by a STOP sign.
- D. At an intersection where a special problem exists and where engineering judgment indicates the problem to be susceptible to correction by the use of the YIELD sign.
- E. Facing the entering roadway for a merge-type movement if engineering judgment indicates that control is needed because acceleration geometry and/or sight distance is not adequate for merging traffic operation.

Standard:

- 02 A YIELD (R1-2) sign shall be used to assign right-of-way at the entrance to a roundabout. YIELD signs at roundabouts shall be used to control the approach roadways and shall not be used to control the circulatory roadway.

- 03 Other than for all of the approaches to a roundabout, YIELD signs shall not be placed on all of the approaches to an intersection.

Section 2B.10 STOP Sign or YIELD Sign Placement

Standard:

- 01 The STOP or YIELD sign shall be installed on the near side of the intersection on the right-hand side of the approach to which it applies. When the STOP or YIELD sign is installed at this required location and the sign visibility is restricted, a Stop Ahead sign (see Section 2C.36) shall be installed in advance of the STOP sign or a Yield Ahead sign (see Section 2C.36) shall be installed in advance of the YIELD sign.

- 02 The STOP or YIELD sign shall be located as close as practical to the intersection it regulates, while optimizing its visibility to the road user it is intended to regulate.

- 02a YIELD signs shall not be erected upon the approaches to more than one of the intersecting streets. Refer to CVC 21356.

- 03 STOP signs and YIELD signs shall not be mounted on the same post.

- 04 No items other than inventory stickers, sign installation dates, and bar codes shall be affixed to the fronts of STOP or YIELD signs, and the placement of these items shall be in the border of the sign.

- 05 No items other than official traffic control signs, inventory stickers, sign installation dates, anti-vandalism stickers, and bar codes shall be mounted on the backs of STOP or YIELD signs.

- 06 No items other than retroreflective strips (see Section 2A.21) or official traffic control signs shall be mounted on the fronts or backs of STOP or YIELD signs supports.

Appendix B – Traffic Counts

VOLUME

A Ave & E 22nd St

Day: Tuesday
Date: 2/6/2018City: National City
Project #: CA18_4032_001

DAILY TOTALS					NB	SB	EB		WB		Total
					371	338	641		610		1,960
AM Period	NB	SB	EB	WB	TOTAL	PM Period	NB	SB	EB	WB	TOTAL
00:00	0	0	1	2	3	12:00	7	3	11	11	32
00:15	2	0	2	2	6	12:15	6	6	12	8	32
00:30	0	0	0	1	1	12:30	10	8	17	8	43
00:45	2	4	0	0	3	12:45	4	27	6	56	31
01:00	0	0	0	0	0	13:00	10	4	14	9	37
01:15	0	0	0	0	0	13:15	7	12	8	6	33
01:30	0	1	3	3	7	13:30	7	5	7	7	26
01:45	3	3	2	3	6	13:45	4	28	13	34	38
02:00	1	0	1	1	3	14:00	10	4	17	9	40
02:15	1	0	1	3	5	14:15	9	5	18	6	38
02:30	0	1	0	1	2	14:30	8	7	16	7	38
02:45	1	3	0	1	2	14:45	8	35	6	22	43
03:00	0	2	1	0	3	15:00	6	5	19	5	35
03:15	0	0	0	1	1	15:15	7	8	15	10	40
03:30	0	1	0	2	3	15:30	6	5	13	7	31
03:45	2	2	0	1	3	15:45	7	26	6	24	40
04:00	0	0	2	3	5	16:00	8	11	10	17	46
04:15	0	0	1	2	3	16:15	4	7	16	9	36
04:30	2	1	1	1	5	16:30	13	8	16	12	49
04:45	1	3	0	4	3	16:45	4	29	8	34	35
05:00	0	0	0	4	4	17:00	3	14	15	10	42
05:15	0	0	1	8	9	17:15	3	9	15	8	35
05:30	1	0	3	7	11	17:30	6	7	10	14	37
05:45	1	2	0	4	11	17:45	4	16	2	32	22
06:00	1	2	2	12	17	18:00	7	4	10	13	34
06:15	3	3	3	9	18	18:15	2	6	10	13	31
06:30	5	5	7	13	30	18:30	2	3	10	6	21
06:45	9	18	4	14	28	18:45	2	13	4	17	23
07:00	8	5	5	10	28	19:00	6	2	6	9	23
07:15	6	3	13	14	36	19:15	2	1	5	8	16
07:30	6	6	15	19	46	19:30	1	3	8	9	21
07:45	11	31	4	14	37	19:45	2	11	4	10	19
08:00	9	7	9	12	37	20:00	4	0	2	6	12
08:15	5	5	6	11	27	20:15	1	1	3	4	9
08:30	5	4	8	4	21	20:30	3	2	6	3	14
08:45	3	22	6	29	20	20:45	1	9	3	6	16
09:00	4	6	7	8	25	21:00	4	3	5	3	15
09:15	3	7	8	8	26	21:15	2	2	1	6	11
09:30	4	5	5	5	19	21:30	4	0	3	4	11
09:45	6	17	3	25	19	21:45	1	11	0	5	4
10:00	4	4	7	1	16	22:00	4	2	6	1	13
10:15	6	4	11	5	26	22:15	6	1	3	7	17
10:30	4	7	13	8	32	22:30	1	0	1	6	8
10:45	4	18	3	39	23	22:45	3	14	1	4	7
11:00	4	5	11	5	25	23:00	2	1	1	2	6
11:15	8	8	5	2	23	23:15	1	1	4	2	6
11:30	3	3	7	7	20	23:30	1	0	2	4	7
11:45	10	25	8	31	33	23:45	0	4	0	11	5
TOTALS	148	125	203	254	730	TOTALS	223	213	438	356	1230
SPLIT %	20.3%	17.1%	27.8%	34.8%	37.2%	SPLIT %	18.1%	17.3%	35.6%	28.9%	62.8%

DAILY TOTALS						NB	SB	EB	WB	Total
						371	338	641	610	1,960
AM Peak Hour	11:45	11:45	11:45	07:15	07:15	PM Peak Hour	14:00	16:30	14:15	15:45
AM Pk Volume	32	25	48	58	156	PM Pk Volume	35	39	67	53
Pk Hr Factor	0.525	0.781	0.706	0.776	0.848	Pk Hr Factor	0.875	0.696	0.882	0.779
7 - 9 Volume	53	40	70	89	252	4 - 6 Volume	45	66	106	85
7 - 9 Peak Hour	07:15	07:30	07:15	07:15	07:15	4 - 6 Peak Hour	16:00	16:30	16:15	16:00
7 - 9 Pk Volume	32	22	45	58	156	4 - 6 Pk Volume	29	39	59	49
Pk Hr Factor	0.727	0.786	0.750	0.776	0.848	Pk Hr Factor	0.558	0.396	0.922	0.721

VOLUME A Ave & E 22nd St

Day: Wednesday
Date: 2/7/2018

City: National City
Project #: CA18_4032_001

DAILY TOTALS						NB	SB	EB	WB	Total	
						404	315	638	629	1,986	
AM Period	NB	SB	EB	WB	TOTAL	PM Period	NB	SB	EB	WB	TOTAL
00:00	0	0	1	1	2	12:00	3	7	16	5	31
00:15	1	0	2	0	3	12:15	6	6	10	11	33
00:30	1	0	0	0	1	12:30	3	11	7	6	27
00:45	0	2	0	0	2	12:45	13	25	8	32	78
01:00	0	0	0	0	0	13:00	12	7	16	8	43
01:15	0	0	0	0	0	13:15	7	4	6	8	25
01:30	2	0	1	1	4	13:30	12	10	8	5	35
01:45	0	2	0	0	2	13:45	10	41	3	24	78
02:00	0	0	1	1	2	14:00	10	7	16	9	42
02:15	0	1	0	1	2	14:15	14	6	19	11	50
02:30	2	0	0	0	2	14:30	7	12	11	13	43
02:45	1	3	0	1	5	14:45	10	41	8	33	92
03:00	0	0	0	1	1	15:00	10	3	13	7	33
03:15	0	1	0	2	3	15:15	8	6	23	11	48
03:30	0	0	0	1	1	15:30	3	3	7	6	19
03:45	0	0	1	1	2	15:45	4	25	10	22	61
04:00	1	0	0	2	3	16:00	5	8	20	9	42
04:15	0	0	0	4	4	16:15	6	11	14	10	41
04:30	0	0	1	4	5	16:30	5	14	11	11	41
04:45	1	2	0	1	4	16:45	8	24	10	43	85
05:00	0	0	1	5	6	17:00	7	10	16	12	45
05:15	0	0	0	5	5	17:15	8	10	10	15	43
05:30	2	0	2	9	13	17:30	8	4	13	7	32
05:45	0	2	2	3	7	17:45	6	29	3	27	65
06:00	2	1	4	14	21	18:00	11	7	14	12	44
06:15	4	1	3	8	16	18:15	7	4	13	13	37
06:30	3	3	5	15	26	18:30	3	4	11	6	24
06:45	7	16	2	9	34	18:45	9	30	2	17	78
07:00	4	6	6	7	23	19:00	1	5	9	6	21
07:15	7	4	9	15	35	19:15	3	4	5	8	20
07:30	9	3	20	19	51	19:30	3	2	3	6	14
07:45	5	25	3	16	49	19:45	3	10	3	14	29
08:00	7	0	11	12	30	20:00	1	0	4	4	9
08:15	10	12	6	11	39	20:15	5	0	4	5	14
08:30	6	1	5	4	16	20:30	3	1	5	5	14
08:45	10	33	5	18	66	20:45	3	12	0	1	16
09:00	5	5	5	8	23	21:00	6	1	5	10	22
09:15	5	0	5	8	18	21:15	3	1	5	5	14
09:30	2	9	7	8	26	21:30	1	1	2	4	8
09:45	2	14	6	20	42	21:45	0	10	0	3	13
10:00	3	0	13	4	20	22:00	3	0	1	5	9
10:15	4	5	8	5	22	22:15	5	0	4	2	11
10:30	2	3	6	2	13	22:30	1	0	4	5	10
10:45	3	12	3	11	29	22:45	2	11	1	2	16
11:00	4	6	12	7	29	23:00	0	0	3	1	4
11:15	11	2	6	4	23	23:15	2	2	2	3	9
11:30	8	6	9	9	32	23:30	1	0	1	4	6
11:45	7	30	6	20	63	23:45	2	5	0	2	9
TOTALS	141	96	208	257	702	TOTALS	263	219	430	372	1284
SPLIT %	20.1%	13.7%	29.6%	36.6%	35.3%	SPLIT %	20.5%	17.1%	33.5%	29.0%	64.7%

DAILY TOTALS						NB	SB	EB	WB	Total
						404	315	638	629	1,986
AM Peak Hour	08:00	11:45	07:15	07:15	07:30	PM Peak Hour	23:30	16:15	15:15	14:00
AM Pk Volume	33	30	58	61	161	PM Pk Volume	46	45	67	54
Pk Hr Factor	0.825	0.682	0.725	0.803	0.789	Pk Hr Factor	0.821	0.804	0.728	0.643
7 - 9 Volume	58	34	79	90	261	4 - 6 Volume	53	70	110	88
7 - 9 Peak Hour	08:00	07:30	07:15	07:15	07:30	4 - 6 Peak Hour	16:45	16:15	16:00	16:30
7 - 9 Pk Volume	33	18	58	61	161	4 - 6 Pk Volume	31	45	57	51
Pk Hr Factor	0.825	0.375	0.725	0.803	0.789	Pk Hr Factor	0.969	0.904	0.713	0.850

**NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR April 11, 2018**

ITEM NO. 2018-07

ITEM TITLE: **REQUEST TO INSTALL ALL-WAY STOP CONTROL AT THE
INTERSECTION OF E. 22ND STREET AND A AVENUE**

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil
Engineering & Public Works Department

DISCUSSION:

Mr. Bill Cumming, the general manager/president for Ron Baker Chevrolet of National City, has requested the installation of All-Way Stop Control at the intersection of E. 22nd Street and "A" Avenue. Mr. Cumming stated that it is difficult to see eastbound vehicles travelling on E. 22nd Street, which presents a safety concern for drivers. Mr. Cumming stated that there were several accidents at the above-mentioned intersection.

Staff performed a site evaluation. E. 22nd Street and "A" Avenue are currently 2-lane roadways with parallel parking on both sides of the streets. Staff confirmed that the intersection of E. 22nd Street and "A" Avenue is controlled by Yield signs on "A" Avenue (minor street). The posted speed limit on E. 22nd Street is 25 mph.

Engineering staff authorized Kimley-Horn & Associates to perform a traffic analysis of the intersection to determine if warrant is met for installation of All-Way Stop control, consistent with the guidelines provided in the California Manual on Uniform Traffic Control Devices (see attached traffic study dated March 5, 2018). The analysis includes review of 48-hour Average Daily Traffic (ADT) data collected during the second week of February, 2018.

Staff reviewed the traffic collision history for this location, which confirmed there were no "reported" traffic collisions within the past two years.

The results of the traffic study indicate that installation of All-Way Stop control is warranted at the intersection between E. 22nd Street and "A" Avenue. Therefore, staff recommends the installation of All-Way Stop Control at the intersection of E. 22nd Street and "A" Avenue. California Vehicle Code and National City Municipal Code require a minimum of 25 feet of red curb "No Parking" for each approach to a Stop sign.

STAFF RECOMMENDATION:

Staff recommends the following traffic safety enhancements at the intersection of E. 22nd Street and A Avenue:

1. Install 20 feet of red curb "No Parking" on E. 22nd Street on the east side of A Avenue. This will result in the loss of one (1) on-street parallel parking space;
2. Install 15 feet of red curb "No Parking" on E. 22nd Street on the west side of A Avenue. This will not result in the loss of on-street parallel parking space;
3. Install two Stop control signs on E. 22nd Street on the east and west side of A Avenue;
4. Install two Stop control signs on A Avenue on the north and south side of E. 22nd Street;
5. Install 50 westerly feet of double-yellow centerline on E. 22nd Street on the west side of A Avenue;
6. Install 50 easterly feet of double-yellow centerline on E. 22nd Street on the east side of A Avenue;
7. Install 50 westerly feet of double-yellow centerline on A Avenue on the north side of E. 22nd Street;
8. Install 50 easterly feet of double-yellow centerline on A Avenue on the south side of E. 22nd Street;

ATTACHMENTS:

1. Correspondence;
2. Public Notice;
3. Location Map with Existing Conditions;
4. Location Map with Recommended Enhancements;
5. Photos;
6. Traffic Study;

2018-07

From: Bill Cumming <bill@ronbaker.com>
Sent: Thursday, January 04, 2018 9:19 AM
To: Stephen Manganiello
Subject: RE: Stop sign

Thank you very much.

Did Leslie also mention about repainting the red curbs on 22nd St? If that is not your department, please let me know who to contact.

Thank you,

Bill Cumming
President/General Manager
Ron Baker Chevrolet

-----Original Message-----

From: "Stephen Manganiello" <SManganiello@nationalcityca.gov>
Sent: Thursday, January 4, 2018 9:10am
To: "Bill Cumming" <bill@ronbaker.com>
Cc: "Leslie Deese" <LDeese@nationalcityca.gov>, "Leslie Larranaga-Britt" <leslie@media-wise.net>, "Luca Zappiello" <LZappiello@nationalcityca.gov>
Subject: RE: Stop sign

Hi Bill,

We will review the accident history and collected traffic counts to perform a warrant analysis for Stop signs and get back to you with our findings and recommendations. This process typically takes a few months.

Thank you.

Stephen Manganiello
Director of Public Works/City Engineer

City of National City
Engineering & Public Works Department
1243 National City Boulevard
National City, CA 91950
phone: 619-336-4380
fax: 619-336-4397
direct: 619-336-4382
email: smanganiello@nationalcityca.gov
website: www.nationalcityca.gov

The City of National City is open Monday through Thursday from 7:00am-6:00pm; offices are closed on Fridays.

From: Leslie Deese
Sent: Thursday, December 28, 2017 6:25 PM

To: Bill Cumming <bill@ronbaker.com>

Cc: Leslie Larranaga-Britt <leslie@media-wise.net>; Stephen Manganiello <SManganiello@nationalcityca.gov>

Subject: Re: Stop sign

Hi Bill,

Thank you for your email. I am copying Steve Manganiello, Director of Public Works/City Engineer. Steve can provide you with the process moving forward. I believe your email will suffice as the written communication needed.

Happy New Year!

Leslie

Sent from my iPhone

On Dec 28, 2017, at 10:53 AM, Bill Cumming <bill@ronbaker.com> wrote:

Leslie,

Could you direct me to the correct department for requesting a stop sign installation? We currently have yield signs on A Ave at 22nd street. Nothing on 22nd St. We have had several accidents at that intersection.

Thank you for your help with this.

Bill Cumming
President/General Manager
Ron Baker Chevrolet



April 4, 2018

Resident/Property Owner

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2018-07

**REQUEST TO INSTALL ALL-WAY STOP CONTROL AT THE
INTERSECTION OF E. 22ND STREET AND A AVENUE**

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Meeting scheduled for **Wednesday, April 11, 2018, at 1:00 P.M.** in the 2nd Floor Large Conference Room of the Civic Center Building, 1243 National City Boulevard, to discuss the above-referenced item.

The City Hall is ADA compliance. Please note that there are two disabled persons parking spaces in front of City Hall on the east side of National City that provide direct access on the 2nd Floor of City Hall via a pedestrian bridge.

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2018-07.

Sincerely,

Stephen Manganiello
City Engineer

SM:ch

Enclosure: Location Map with Existing Conditions
Location Map with Proposed Enhancements

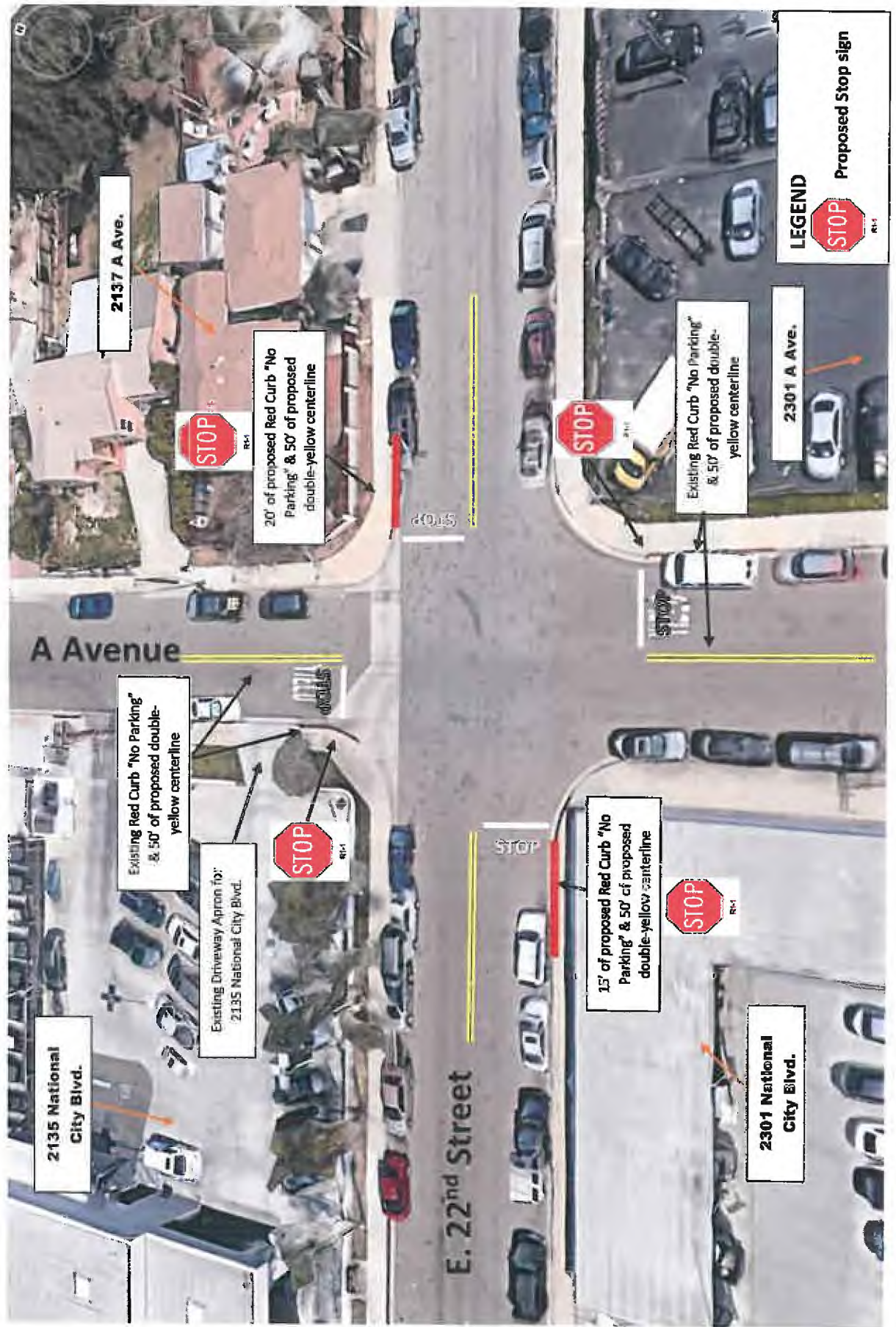
2018-07

1234 National City Boulevard, National City, CA 91950-6530
(619) 336-4380 Fax (619) 336-4397 engineering@nationalcityca.gov

Location Map with Existing Conditions (TSC Item: 2018-07)



Location Map with Recommended Enhancements (TSC Item: 2018-07)





Request to install All-Way Stop Control between E. 22nd Street and A Avenue (looking south)



Request to install All-Way Stop Control between E. 22nd Street and A Avenue (looking east)



Request to install All-Way Stop Control between E. 22nd Street and A Avenue (looking north)



Request to install All-Way Stop Control between E. 22nd Street and A Avenue (looking west)

MEMORANDUM

To: Stephen Manganiello
City of National City
From: Leo Espelet
Kimley-Horn and Associates, Inc.
Date: March 5, 2018
Subject: 22nd Street stop control evaluation at A Avenue

This memorandum was prepared to evaluate the use of side-street stop-control and all-way stop control at the intersection of 22nd Street and A Avenue in the City of National City.

22nd Street is a 2-lane local roadway operating east-west with parking on both sides providing access to both commercial and residential areas. A Avenue is a 2-lane roadway with on-street parking, operating north-south through the City of National City. The intersection operates as two-way yield controlled, with 22nd Street operating as the free movement. **Figure 1** illustrates the existing intersection conditions.

The guiding document for the evaluation of intersection traffic control is the 2014 California Manual on Uniform Traffic Control Devices (CA-MUTCD). The applicable CA-MUTCD excerpt is provided in **Appendix A** and summarized below.

Section 2B-06 Stop Sign Applications

The use of stop control on the minor-street approach should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:

- The vehicular traffic volumes on the through street or highway exceed 6,000 vehicles per day;
- A restricted view exists that requires road users to stop to adequately observe conflicting traffic on the through street or highway; and/or
- Crash records indicate that three or more crashes are susceptible to correction by the installation of a stop sign have been reported within a 12-month period, or that five or more such crashes have been reported within a 2-year period. Such crashes include right-angle collisions involving road users on the minor-street approach failing to yield the right-of-way to traffic on the through street.

Section 2B-07 Multi-way Stop Applications

The use of all-way stop control should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:

Crashes:

- Five or more reported crashes in a 12-month period that are susceptible to correction by a multi-way stop installation. Such crashes include right-turn and left-turn collisions as well as right-angle collisions.

Minimum Volumes:

- The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for any 8 hours of an average day, and
- The combined vehicular, pedestrian, and bicycle volume entering the intersection from the minor street approaches (total of both approaches) averages at least 200 units per hour for the same 8 hours, with an average delay to minor-street vehicular traffic of at least 30 seconds per vehicle during the highest hour, but
- If the 85th-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants are 70 percent of the values provided in the prior two bulleted items.

Other Criteria:

- The need to control left-turn conflicts;
- The need to control vehicle/pedestrian conflicts near locations that generate high pedestrian volumes;
- Locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop; and
- An intersection of two residential neighborhood collectors (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

As a part of the analysis, 48-hour ADT counts and speeds were collected at 22nd Street and A Avenue from Tuesday, February 6th, 2018 to Wednesday, February 7th, 2018. These counts are provided in **Appendix B**.

Crash data was collected through the Transportation Injury Mapping System (TIMS). At the time of this memorandum, crash data through the end of 2016 was available. Zero collisions occurred within a 2-year period of this study at the intersection of 22nd Street and A Avenue.

Side-street Stop Control Evaluation**Minimum Volumes:**

Based on collected traffic volumes, the intersection at 22nd Street and A Avenue was not found to meet the minimum daily volume threshold. The average of the daily traffic counts on through street 22nd Street was found to be 1,259 vehicles per day. A summary of traffic volumes is presented in **Table 1**.

Crashes:

Crash history from 2015 and 2016 was reviewed for this analysis. Reviewing crash history at the analyzed intersection revealed zero crashes within the 2-year window.

All-way Stop Control Evaluation**Crashes:**

As stated above, the intersection of 22nd Street and A Avenue had zero reported crashes within the most recent 2015 to 2016 24-month period.

Minimum Volumes:

Based on collected traffic volumes, the intersection was not found to meet the minimum volume thresholds for the same eight hours of a day. The average traffic volumes for the peak eight hours on 22nd Street was found to be 91 vehicles. The average traffic A Avenue for the corresponding eight hours was 54 vehicles. Directional traffic volumes are presented in **Table 1**.

Other Criteria:

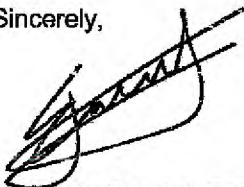
A review of corner sight distance was completed on the four legs of the intersection. Based on existing conditions observed in the field, visual obstructions were found to restrict the view of northbound traffic from the eastbound approach. Additionally, views of the eastbound traffic from the yield controlled northbound approach were found to be obstructed. Left-turn conflict, or vehicle/pedestrian conflict issues were not observed in the field.

Conclusion:

The intersection of 22nd Street and A Avenue was not found to meet the warrants for either two-way stop control or an all-way stop control based on observed traffic volumes or crash history. Based on the restricted sight distances observed from both 22nd Street and A Avenue, stop control is recommended on all approaches to the intersection.

Please call me if you have any questions or comments.

Sincerely,



Leonardo Espelet, T.E.
RTE #2678

Attachments:

- Figure 1 - Existing Intersection Map
- Table 1 - Intersection Approach Volumes
- Appendix A – Applicable CA-MUTCD Traffic Control Excerpts
- Appendix B – Existing Traffic Count Data Sheets

K:\SND_TPTO\095811047_130 Traffic Counts and Analysis\Reports\Grove St & 14th

Figure 1 - Existing Intersection Map



Table 1 - Intersection Approach Volumes

TABLE 1
SUMMARY OF INTERSECTION APPROACH VOLUMES

Time of Day	APPROACH VOLUMES	
	22nd Street	A Avenue
	EB + WB ^(a)	NB + SB ^(a)
0:00 a.m. to 1:00 a.m.	6	3
1:00 a.m. to 2:00 a.m.	6	4
2:00 a.m. to 3:00 a.m.	6	4
3:00 a.m. to 4:00 a.m.	6	3
4:00 a.m. to 5:00 a.m.	13	3
5:00 a.m. to 6:00 a.m.	33	3
6:00 a.m. to 7:00 a.m.	63	28
7:00 a.m. to 8:00 a.m.	104	45
8:00 a.m. to 9:00 a.m.	61	48
9:00 a.m. to 10:00 a.m.	53	36
10:00 a.m. to 11:00 a.m.	55	30
11:00 a.m. to 12:00 p.m.	59	50
12:00 p.m. to 1:00 p.m.	79	54
1:00 p.m. to 2:00 p.m.	74	64
2:00 p.m. to 3:00 p.m.	107	66
3:00 p.m. to 4:00 p.m.	96	49
4:00 p.m. to 5:00 p.m.	102	65
5:00 p.m. to 6:00 p.m.	93	52
6:00 p.m. to 7:00 p.m.	80	39
7:00 p.m. to 8:00 p.m.	54	23
8:00 p.m. to 9:00 p.m.	38	14
9:00 p.m. to 10:00 p.m.	32	15
10:00 p.m. to 11:00 p.m.	28	15
11:00 p.m. to 12:00 a.m.	19	7
Daily Total	1259	714
Average of Highest 8 Hours	91	54

Notes:

(a) This data represents the average of two day counts collected at 22nd Street and A Avenue. The data was collected in February 2018.

(b) **Bold** = Highest Eight Hour of Traffic

Appendix A – MUTCD AWSC Warrant

Support:

- 17 Caltrans will grant such permission only when an investigation indicates that the STOP (R1-1) sign will benefit traffic.

Section 2B.06 STOP Sign Applications

Guidance:

- 01 At intersections where a full stop is not necessary at all times, consideration should first be given to using less restrictive measures such as YIELD signs (see Sections 2B.08 and 2B.09).
- 02 The use of STOP signs on the minor-street approaches should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:
- A. The vehicular traffic volumes on the through street or highway exceed 6,000 vehicles per day;
 - B. A restricted view exists that requires road users to stop in order to adequately observe conflicting traffic on the through street or highway; and/or
 - C. Crash records indicate that three or more crashes that are susceptible to correction by the installation of a STOP sign have been reported within a 12-month period, or that five or more such crashes have been reported within a 2-year period. Such crashes include right-angle collisions involving road users on the minor-street approach failing to yield the right-of-way to traffic on the through street or highway.

Support:

- 03 The use of STOP signs at grade crossings is described in Sections 8B.04 and 8B.05.

Section 2B.07 Multi-Way Stop Applications

Support:

- 01 Multi-way stop control can be useful as a safety measure at intersections if certain traffic conditions exist. Safety concerns associated with multi-way stops include pedestrians, bicyclists, and all road users expecting other road users to stop. Multi-way stop control is used where the volume of traffic on the intersecting roads is approximately equal.

- 02 The restrictions on the use of STOP signs described in Section 2B.04 also apply to multi-way stop applications.

Guidance:

- 03 The decision to install multi-way stop control should be based on an engineering study.
- 04 The following criteria should be considered in the engineering study for a multi-way STOP sign installation:
- A. Where traffic control signals are justified, the multi-way stop is an interim measure that can be installed quickly to control traffic while arrangements are being made for the installation of the traffic control signal.
 - B. Five or more reported crashes in a 12-month period that are susceptible to correction by a multi-way stop installation. Such crashes include right-turn and left-turn collisions as well as right-angle collisions.
 - C. Minimum volumes:
 - 1. The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for any 8 hours of an average day; and
 - 2. The combined vehicular, pedestrian, and bicycle volume entering the intersection from the minor street approaches (total of both approaches) averages at least 200 units per hour for the same 8 hours, with an average delay to minor-street vehicular traffic of at least 30 seconds per vehicle during the highest hour; but
 - 3. If the 85th-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants are 70 percent of the values provided in Items 1 and 2.
 - D. Where no single criterion is satisfied, but where Criteria B, C.1, and C.2 are all satisfied to 80 percent of the minimum values. Criterion C.3 is excluded from this condition.

Option:

- 05 Other criteria that may be considered in an engineering study include:
- A. The need to control left-turn conflicts;
 - B. The need to control vehicle/pedestrian conflicts near locations that generate high pedestrian volumes;
 - C. Locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop; and

- D. An intersection of two residential neighborhood collector (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

Section 2B.08 YIELD Sign (R1-2)

Standard:

01 The YIELD (R1-2) sign (see Figure 2B-1) shall be a downward-pointing equilateral triangle with a wide red border and the legend YIELD in red on a white background.

Support:

02 The YIELD sign assigns right-of-way to traffic on certain approaches to an intersection. Vehicles controlled by a YIELD sign need to slow down to a speed that is reasonable for the existing conditions or stop when necessary to avoid interfering with conflicting traffic.

Section 2B.09 YIELD Sign Applications

Option:

01 YIELD signs may be installed:

- A. On the approaches to a through street or highway where conditions are such that a full stop is not always required.
- B. At the second crossroad of a divided highway, where the median width at the intersection is 30 feet or greater. In this case, a STOP or YIELD sign may be installed at the entrance to the first roadway of a divided highway, and a YIELD sign may be installed at the entrance to the second roadway.
- C. For a channelized turn lane that is separated from the adjacent travel lanes by an island, even if the adjacent lanes at the intersection are controlled by a highway traffic control signal or by a STOP sign.
- D. At an intersection where a special problem exists and where engineering judgment indicates the problem to be susceptible to correction by the use of the YIELD sign.
- E. Facing the entering roadway for a merge-type movement if engineering judgment indicates that control is needed because acceleration geometry and/or sight distance is not adequate for merging traffic operation.

Standard:

02 A YIELD (R1-2) sign shall be used to assign right-of-way at the entrance to a roundabout. YIELD signs at roundabouts shall be used to control the approach roadways and shall not be used to control the circulatory roadway.

03 Other than for all of the approaches to a roundabout, YIELD signs shall not be placed on all of the approaches to an intersection.

Section 2B.10 STOP Sign or YIELD Sign Placement

Standard:

01 The STOP or YIELD sign shall be installed on the near side of the intersection on the right-hand side of the approach to which it applies. When the STOP or YIELD sign is installed at this required location and the sign visibility is restricted, a Stop Ahead sign (see Section 2C.36) shall be installed in advance of the STOP sign or a Yield Ahead sign (see Section 2C.36) shall be installed in advance of the YIELD sign.

02 The STOP or YIELD sign shall be located as close as practical to the intersection it regulates, while optimizing its visibility to the road user it is intended to regulate.

02a YIELD signs shall not be erected upon the approaches to more than one of the intersecting streets. Refer to CVC 21356.

03 STOP signs and YIELD signs shall not be mounted on the same post.

04 No items other than inventory stickers, sign installation dates, and bar codes shall be affixed to the fronts of STOP or YIELD signs, and the placement of these items shall be in the border of the sign.

05 No items other than official traffic control signs, inventory stickers, sign installation dates, anti-vandalism stickers, and bar codes shall be mounted on the backs of STOP or YIELD signs.

06 No items other than retroreflective strips (see Section 2A.21) or official traffic control signs shall be mounted on the fronts or backs of STOP or YIELD signs supports.

Appendix B – Traffic Counts

VOLUME

A Ave & E 22nd St

Day: Tuesday
Date: 2/6/2018

City: National City
Project #: CA18_4032_001

DAILY TOTALS						NB	SB	EB	WB	Total	
						371	338	641	610	1,960	
AM Period	NB	SB	EB	WB	TOTAL	PM Period	NB	SB	EB	WB	TOTAL
00:00	0	0	1	2	3	12:00	7	3	11	11	32
00:15	2	0	2	2	6	12:15	6	6	12	8	32
00:30	0	0	0	1	1	12:30	10	8	17	8	43
00:45	2	4	0	0	6	12:45	4	27	6	23	56
01:00	0	0	0	0	0	13:00	10	4	14	9	37
01:15	0	0	0	0	0	13:15	7	12	8	6	33
01:30	0	1	3	3	7	13:30	7	5	7	7	26
01:45	3	3	2	3	11	13:45	4	28	13	34	79
02:00	1	0	1	1	3	14:00	10	4	17	9	40
02:15	1	0	1	3	5	14:15	9	5	18	6	38
02:30	0	1	0	1	2	14:30	8	7	16	7	38
02:45	1	3	0	1	5	14:45	8	35	6	22	65
03:00	0	2	1	0	3	15:00	6	5	19	5	35
03:15	0	0	0	1	1	15:15	7	8	15	10	40
03:30	0	1	0	2	3	15:30	6	5	13	7	31
03:45	2	2	0	1	5	15:45	7	26	6	24	59
04:00	0	0	2	3	5	16:00	8	11	10	17	46
04:15	0	0	1	2	3	16:15	4	7	16	9	36
04:30	2	1	1	1	5	16:30	13	8	16	12	49
04:45	1	3	0	4	8	16:45	4	29	8	34	75
05:00	0	0	0	4	4	17:00	3	14	15	10	42
05:15	0	0	1	8	9	17:15	3	9	15	8	35
05:30	1	0	3	7	11	17:30	6	7	10	14	37
05:45	1	2	0	4	7	17:45	4	16	2	32	54
06:00	1	2	2	12	17	18:00	7	4	10	13	34
06:15	3	3	3	9	18	18:15	2	6	10	13	31
06:30	5	5	7	13	30	18:30	2	3	10	6	21
06:45	9	18	4	14	45	18:45	2	13	4	17	36
07:00	8	5	5	10	28	19:00	6	2	6	9	23
07:15	6	3	13	14	36	19:15	2	1	5	8	16
07:30	6	6	15	19	46	19:30	1	3	8	9	21
07:45	11	31	4	14	60	19:45	2	11	4	10	27
08:00	9	7	9	12	37	20:00	4	0	2	6	12
08:15	5	5	6	11	27	20:15	1	1	3	4	9
08:30	5	4	8	4	21	20:30	3	2	6	3	14
08:45	3	22	6	29	60	20:45	1	9	3	6	19
09:00	4	6	7	8	25	21:00	4	3	5	3	15
09:15	3	7	8	8	26	21:15	2	2	1	6	11
09:30	4	5	5	5	19	21:30	4	0	3	4	11
09:45	6	17	3	21	47	21:45	1	11	0	5	17
10:00	4	4	7	1	16	22:00	4	2	6	1	13
10:15	6	4	11	5	26	22:15	6	1	3	7	17
10:30	4	7	13	8	32	22:30	1	0	1	6	8
10:45	4	18	8	39	69	22:45	3	14	1	4	22
11:00	4	5	11	5	25	23:00	2	1	1	2	6
11:15	8	8	5	2	23	23:15	1	1	4	2	8
11:30	3	3	7	7	20	23:30	1	0	2	4	7
11:45	10	25	8	31	74	23:45	0	4	0	2	6
TOTALS	148	125	203	254	730	TOTALS	223	213	438	356	1230
SPLIT %	20.3%	17.1%	27.8%	34.8%	57.2%	SPLIT %	18.1%	17.3%	35.6%	28.9%	62.8%

DAILY TOTALS						NB	SB	EB	WB	Total	
						371	338	641	610	1,960	
AM Peak Hour	11:45	11:45	11:45	07:15	07:15	PM Peak Hour	14:00	16:30	14:15	15:45	15:45
AM Pk Volume	33	25	48	59	155	PM Pk Volume	35	99	67	53	271
Pk Hr Factor	0.825	0.781	0.706	0.776	0.848	Pk Hr Factor	0.875	0.696	0.882	0.779	0.872
7 - 9 Volume	53	40	70	89	252	4 - 6 Volume	45	66	106	85	302
7 - 9 Peak Hour	07:15	07:30	07:15	07:15	07:15	4 - 6 Peak Hour	16:00	16:30	16:15	16:00	16:00
7 - 9 Pk Volume	32	22	45	59	156	4 - 6 Pk Volume	29	99	59	49	166
Pk Hr Factor	0.727	0.786	0.750	0.776	0.848	Pk Hr Factor	0.558	0.696	0.922	0.721	0.847

VOLUME A Ave & E 22nd St

Day: Wednesday
Date: 2/7/2018

City: National City
Project #: CA18_4032_001

DAILY TOTALS						NB	SB	EB	WB	Total	
						404	315	638	629	1,986	
AM Period	NB	SB	EB	WB	TOTAL	PM Period	NB	SB	EB	WB	TOTAL
00:00	0	0	1	1	2	12:00	3	7	16	5	31
00:15	1	0	2	0	3	12:15	6	6		11	33
00:30	1	0	0	0	1	12:30	3	11	7	6	27
00:45	0	2	0	0	2	12:45	13	25	8	41	35
01:00	0	0	0	0	0	13:00	12	7	16	8	43
01:15	0	0	0	0	0	13:15	7	4	6	8	25
01:30	2	0	1	1	4	13:30	12	10	8	5	35
01:45	0	2	0	0	2	13:45	10	41	3	24	37
02:00	0	0	1	1	2	14:00	10	7	16	9	42
02:15	0	1	0	1	2	14:15	14	6	19	11	50
02:30	2	0	0	0	2	14:30	7	12	11	13	43
02:45	1	3	0	1	5	14:45	10	41	8	33	50
03:00	0	0	0	1	1	15:00	10	3	13	7	33
03:15	0	1	0	2	3	15:15	8	6	23	11	48
03:30	0	0	0	1	1	15:30	3	3	7	6	19
03:45	0	0	1	1	2	15:45	4	25	10	22	41
04:00	1	0	0	2	3	16:00	5	8	20	9	42
04:15	0	0	0	4	4	16:15	6	11	14	10	41
04:30	0	0	1	4	5	16:30	5	14	11	11	41
04:45	1	2	0	1	4	16:45	8	24	10	43	45
05:00	0	0	1	5	6	17:00	7	10	16	12	45
05:15	0	0	0	5	5	17:15	8	10	10	15	43
05:30	2	0	2	9	13	17:30	8	4	13	7	32
05:45	0	2	2	3	7	17:45	6	29	3	27	34
06:00	2	1	4	14	21	18:00	11	7	14	12	44
06:15	4	1	3	8	16	18:15	7	4	13	13	37
06:30	3	3	5	15	26	18:30	3	4	11	6	24
06:45	7	16	2	9	24	18:45	9	30	2	17	22
07:00	4	6	6	7	23	19:00	1	5	9	6	21
07:15	7	4	9	15	35	19:15	3	4	5	8	20
07:30	9	3	20	19	51	19:30	3	2	3	6	14
07:45	5	25	3	16	49	19:45	3	10	3	14	19
08:00	7	0	11	12	30	20:00	1	0	4	4	9
08:15	10	12	6	11	39	20:15	5	0	4	5	14
08:30	6	1	5	4	16	20:30	3	1	5	5	14
08:45	10	33	5	26	74	20:45	3	12	0	1	15
09:00	5	5	5	8	23	21:00	6	1	5	10	22
09:15	5	0	5	8	18	21:15	3	1	5	5	14
09:30	2	9	7	8	26	21:30	1	1	2	4	8
09:45	2	14	6	22	44	21:45	0	10	0	3	8
10:00	3	0	13	4	20	22:00	3	0	1	5	9
10:15	4	5	8	5	22	22:15	5	0	4	2	11
10:30	2	3	6	2	13	22:30	1	0	4	5	10
10:45	3	12	3	8	26	22:45	2	11	1	2	16
11:00	4	6	12	7	29	23:00	0	0	3	1	4
11:15	11	2	6	4	23	23:15	2	2	2	3	9
11:30	8	6	9	9	32	23:30	1	0	1	4	6
11:45	7	30	6	10	53	23:45	2	5	0	2	9
TOTALS	141	96	208	257	702	TOTALS	263	219	430	372	1284
SPLIT %	20.1%	13.7%	29.6%	35.6%	35.3%	SPLIT %	20.5%	17.1%	33.5%	28.9%	64.7%

DAILY TOTALS						NB	SB	EB	WB	Total	
						404	315	638	629	1,986	
AM Peak Hour	08:00	11:45	07:15	07:15	07:30	PM Peak Hour	13:30	16:15	15:15	14:00	14:00
AM Pk Volume	33	30	58	61	161	PM Pk Volume	46	45	67	54	185
Pk Hr Factor	0.925	0.682	0.725	0.802	0.789	Pk Hr Factor	0.821	0.804	0.728	0.643	0.925
7 - 9 Volume	58	34	79	90	261	4 - 6 Volume	53	70	110	88	321
7 - 9 Peak Hour	08:00	07:30	07:15	07:15	07:30	4 - 6 Peak Hour	16:45	16:15	16:00	16:30	16:30
7 - 9 Pk Volume	33	18	58	61	161	4 - 6 Pk Volume	31	45	57	51	172
Pk Hr Factor	0.825	0.375	0.725	0.803	0.789	Pk Hr Factor	0.969	0.804	0.713	0.850	0.956

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City approving revisions to the City of National City Alcohol and Drug-Free Workplace Policy. (Human Resources)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO. 1

ITEM TITLE:

Resolution of the City Council of the City of National City approving revisions to the City of National City Alcohol and Drug-Free Workplace Policy.

PREPARED BY: Irene Mosley

PHONE: 336-4308

DEPARTMENT: Human Resources

APPROVED BY:

EXPLANATION:

The Human Resources Department engaged the services of an attorney subject matter expert in the area of labor relations to assist in reviewing and updating the City's various labor relations policies and procedures for the purpose of ensuring that all such documents are in compliance with current Federal, State and local laws. The proposed revisions to the Alcohol and Drug-Free Workplace Policy are an outcome of said review.

The current policy was adopted by City Council Resolution on November 21, 1995. The City's formally recognized collective bargaining groups were notified of the proposed revisions. The revisions were met and conferred upon as requested by the collective bargaining groups.

FINANCIAL STATEMENT:

ACCOUNT NO.

There is no fiscal impact associated with this item.

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, is not subject to environmental review.

ORDINANCE: **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Adopt the resolution approving revisions to the City of National City Alcohol and Drug-Free Workplace Policy.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Alcohol and Drug-Free Workplace Policy – Original
2. Alcohol and Drug-Free Workplace Policy – Strike Out (Edited) Version
3. Alcohol and Drug-Free Workplace Policy – Revised



City of National City

ALCOHOL AND DRUG-FREE WORKPLACE POLICY

Employees are the most valuable resource for a governmental organization. Their health and safety is a serious concern. The City of National City will not tolerate any drug or alcohol use which imperils the health and well-being of its employees or threatens its operation.

The use of illegal drugs, abuse of alcohol and other controlled substances, on or off duty, is inconsistent with law abiding behavior expected of all citizens. Employees who abuse illegal drugs or alcohol, on or off duty, tend to be less productive, less reliable, and prone to greater absenteeism resulting in the potential for increased cost, delay, and risk in the conduct of City business.

Furthermore, all employees have the right to work in an alcohol/drug-free environment, and to work with persons free from the effects of drugs/alcohol abuse. Employees who abuse drugs/alcohol are a danger to themselves and to others in the workplace.

The City Council of the City of National City is, therefore, committed to maintaining a safe and healthy workplace free from the influence of alcohol/drugs. In addition, the City will vigorously comply with the applicable requirements of the Drug-Free Workplace Act of 1988, the Omnibus Transportation Employee Testing Act of 1991, and the Department of Transportation (DOT) Regulations. The City, therefore, establishes the following policies effective January 1, 1996 (rescinds and supersedes resolution 91-57):

1. A City policy requiring that every individual proposed to be hired by the City be free of drug abuse.
2. A City policy requiring each offer of employment for positions designated in the Medical Guidelines established by the Civil Service Commission of National City or by DOT Regulations for drug testing shall be conditional upon the passing of a urine test for drugs. The City will not hire or promote any applicant for such designated position who fails to pass the pre-employment drug test.
3. A City policy prohibiting unauthorized possession of an unsealed alcoholic beverage container or possession of illegal drugs while on the City premises or while in the City vehicles.

4. A City policy prohibiting the use, possession, offer for sale, distribution of illegal drugs and/or engagement in any illegal drug activities in any form on or off duty by all City employees.
5. A City policy prohibiting any employee reporting to work under the influence of alcohol, illegal drugs and/or other mind altering chemicals. Employees who are under the influence of alcohol or illicit drugs when they report to work or during working hours, are in violation of this policy, regardless of when or where the substance entered the employee's system.
6. A City policy prohibiting anyone to use prescription drugs on the job to the degree that work performance is impaired and safety in the workplace is jeopardized. (However, nothing in this policy precludes the appropriate use of legally prescribed medications by a physician). It is the employee's responsibility to ascertain from the prescribing physician whether the medication would interfere with job performance and to notify his/her supervisor if job performance is impaired by medications. (An employee may be required to provide a statement from a licensed physician, nurse practitioner or physician's assistant indicating when the employee is able to work safely while taking the prescribed medications.)
7. A City policy requiring that if any employee has reason to believe that drugs or other controlled substances are being illegally manufactured, distributed, dispensed or used on City premises or on City time, such employee shall immediately notify the appropriate supervisor.
8. Employees shall, as a condition of employment, notify their immediate supervisors, within five (5) days, of any criminal alcohol/drug statute conviction.
9. Employees who request assistance or under acceptable circumstances are identified as having problems with drugs/alcohol abuse will be assessed by a Substance Abuse Professional (SAP) and referred for counseling, rehabilitation or employee assistance programs such as those available through the City's Employee Assistance Program (EAP) or Group Health Programs.
10. Compliance with the City of National City Alcohol/Drug-Free Workplace Policy is a condition of employment.

Employee violations of this policy are subject to administrative actions, up to and including termination of employment.

DEFINITIONS

Pursuant to the maintenance of a safe and alcohol/drug-free workplace, the following definitions shall apply in support of enforcing the City's policy:

1. **Employee** – means a person, independent contractor, or person hired by an independent contractor who performs services for the City of National City.
2. **Covered Position** – means a job classification which is listed in the Civil Service Medical Guidelines as requiring drug testing or defined by DOT regulations as safety-sensitive.
3. **Job Applicant/Pre-Employment** – means a person, independent contractor, or person hired by an independent contractor who applies to become an employee of or to perform work for the City of National City.
4. **Drug** – any controlled or illegal substance (subject to regulation by the state or federal government) capable of altering the mood, perception, or judgment of the individual consuming it.
5. **Alcohol** – any beverage containing alcohol. Although the purchase and consumption of alcohol is legal, reporting to work under the influence, consuming alcoholic beverages on the City's premises, or at a work site, is in direct violation of the City's policy.
6. **Prescription Drugs** – any drug or medication prescribed by a licensed physician for a medical condition. Use of prescribed drugs are not in direct violation of the City's policy, however, inappropriate use or a prescribed use that may cause significant impairment, thus creating a safety hazard on the job, is in direct violation of the City's policy.
7. **Pre-employment Testing** – means testing of individuals proposed to be hired or promoted into a job classification designated for drug testing by the Medical Guidelines established by the Civil Service Commission or required by DOT Regulations.
8. **Reasonable Suspicion Testing** – means a test ordered by a trained supervisor who has a distinct belief based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech and/or body odors of any employee and reasonable inferences drawn from those facts related specifically to job performance, that the employee poses a threat to themselves or safety of others because of drugs or alcohol.
9. **Post Accident Testing** – means a test is required after occurrence where a driver, operator, or contributing worker has been involved in any vehicle or equipment accident/incident, and where alcohol, drugs or other controlled substances cannot be discounted completely as a contributing factor to the accident/incident. For purposes of this policy, accident does not include minor accidents where the damage to the vehicle does not preclude departure from the scene in its usual manner in daylight hours after simple repairs.

10. ***Random Testing*** – means an unannounced selection by lot for drug and alcohol testing of employees, who are in a job classification which is listed in the Civil Service Medical Guidelines for random drugs/alcohol testing or designated as safety sensitive by DOT Regulations. For an example of the selection process, to achieve the required annual testing rate among thirty (30) covered individuals, four (4) individuals could be selected for testing quarterly. All covered employees remain in the random selection pool at all times, regardless of whether or not they have been previously selected for testing.
11. ***Return-to-Duty/Follow-Up Testing*** – means drug testing that applies to employees returning to work after having previously tested positive and who have been suspended from work. They must successfully complete a rehabilitation program and comply with testing requirements of the substance abuse professional in order to return to work.
12. ***Safety-Sensitive Personnel*** – means employees identified to have safety sensitive work related responsibilities as defined and mandated by the U.S. Department of Transportation to participate in a drugs/alcohol testing program. The following employees are, therefore, considered covered employees subject to random drug/alcohol testing:
 - (a) **Individuals who operate the following commercial motor vehicles are covered employees:**
 - (1) A vehicle with a gross combination weight of at least 26,001 pounds inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds;
 - (2) A vehicle with a gross vehicle weight of at least 26,001 pounds;
 - (3) A vehicle designed to transport 16 or more passengers, including the driver; or
 - (4) A vehicle used to transport those hazardous materials found in the Hazardous Materials Transportation Act.
 - (b) **Employees who are performing the following safety-sensitive functions are covered employees:**
 - (1) Employees inspecting equipment as required by the Federal Motor Carrier Safety Regulations (FMCSR), or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time;
 - (2) Employees driving at the controls of a commercial motor vehicle;
 - (3) Employees loading or unloading a commercial motor vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipments loaded or unloaded; or

- (4) Employees repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle.

13. **Substance Abuse Professional (SAP)** – means a licensed physician, licensed or certified psychologist, social worker, employee assistance professional or an alcohol and drug abuse counselor certified by the National Association of Alcohol and Drug Abuse Counselors (NAADAC) Certification Commission. All persons listed in the definition must have specific knowledge of and clinical experience in the diagnosis and treatment of alcohol and drug-related disorders to qualify.

DRUG TESTING

When drug screening is required under the provisions of this policy, a urinalysis test will be given to detect the presence of the following drugs:

DRUGS	SCREENING CUT-OFF	CONFIRMATION CUT-OFF
Cannabinoids as Carboxy (THC)	50 ng/ml	15 ng/ml
Cocaine Metabolites as Benzoylecgonine	300 ng/ml	150 ng/ml
Phencyclidine (PCP)	25 ng/ml	25 ng/ml
Opiates (codeine/morphine)	300 ng/ml	300 ng/ml
Amphetamines (amphetamine/methamphetamine)	1000 ng/ml	500 ng/ml
Barbiturates	300 ng/ml	300 ng/ml
Benzodiazepines	300 ng/ml	300 ng/ml
Methadone	300 ng/ml	300 ng/ml
Methaqualone	300 ng/ml	300 ng/ml
Propoxyphen	300 ng/ml	300 ng/ml

The Threshold levels that are used to determine when drug screen is positive, and representing “screening cut-off” and “confirmation cut-off” shown above, have been established as acceptable levels in both categories. The procedures are immunoassay (EMIT) screens with gas chromatography/mass spectrometry (GS/MS) confirmation, administered according to the industry standards of the National Institute of Drug Abuse (NIDA) Certified Laboratories.

ALCOHOL TESTING

The City of National City acknowledges the U.S. Department of Transportation published rules amendment (49 CFR Part 40) adding breath alcohol testing to the Federal Highway Administration’s (FHWA) regulations pertaining to safety-sensitive personnel possessing a commercial Driver’s License (CDL) and operating a Commercial Motor Vehicle (CMV). The City also adheres to state laws pertaining to personnel possessing a CDL and operating CMVs.

Therefore, the following policy is established for personnel with a CDL and includes those other employees performing safety-sensitive functions in any part of their job duties (see safety-sensitive under definitions). This policy prohibits the use of alcoholic beverages within four (4) hours of reporting to work and also prohibits a driver from driving while having a measurable alcohol concentration in his/her system, amounting to 0.04 or greater alcohol limitation for CMV operators.

The City also prohibits covered employees performing safety-sensitive functions from: (1) using alcohol on the job; and (2) refusing to submit required alcohol tests. Supervisors must remove from safety-sensitive function any covered employee who violates any of these prohibitions until he/she has met the conditions for returning to a safety-sensitive function. If an employee is found to have alcohol concentration over 0.02 concentration of alcohol, or if the employee is under the influence of or impaired by alcohol, as indicated by behavior, speech and/or performance indicators of alcohol misuse, and a reasonable suspicion alcohol test result cannot be obtained, the employee will have to be removed from safety-sensitive duties for twenty-four (24) hours until a test result indicating a zero alcohol concentration is obtained.

APPLICANT/PRE-EMPLOYMENT DRUG TESTS

1. All pre-employment and promotional health screens for covered positions as defined in this policy will include a urine drug screen. These health screens will include a urine drugs-of-abuse screen for cannabinoids, cocaine, phencyclidine, opiates, amphetamines, barbiturates, benzodiazepines, methadone, methaqualone, and propoxyphene. There is no pre-employment alcohol test required.
2. The prospective employee must be informed by the person making the job offer that an employment health screen will be conducted and will include a drug test and that the job offer is contingent upon passing the employment health screen. The person is then sent to the approval location for the health screen.
3. The nurse or physician conducting the health screen must obtain a signed consent form for the drug screen. If the individual refuses, he/she will be informed by the City that the job offer will be withdrawn.
4. When the consent form is signed, the pre-employment health screen is conducted, the urine specimen collected.
5. The individual monitoring the collection must:
 - a. obtain signed consent;
 - b. collect the sample;
 - c. label and seal the sample in the presence of the donor; and
 - d. obtain the signature of the individual attesting to the ownership and identification of the sample to the lab;
 - e. ensure that the test of the samples is conducted according to DOT requirements.

6. Results of any laboratory test will be sent to the Director of Personnel or designee.
7. If the test results are negative, the individual will be contacted and be given a date to report to work.
8. If the test results are positive, the City will inform the individual that he/she has not passed the pre-employment or promotional physical and that the job offer has been withdrawn. No other elaboration will be made even if requested.
4. No prospective employee may begin work prior to employee health approval and will not be allowed to begin work at all if illicit drugs are identified during the employment health screening process.

RANDOM DRUGS & ALCOHOL TESTING

Random Testing Requirements

Employees subject to random testing for the purpose of determining alcohol and illegal drug presence will include only employees working in safety-sensitive areas. Covered employees are those with safety-sensitive duties, as defined in this policy, such as equipment operators, street and sewer maintenance workers, tree trimmers, traffic painters, sweeper operators, park caretakers, mechanics and classifications that have responsibilities involving the operation of commercial vehicles (i.e. requiring unexempt class A or B licenses) for the City.

The following items regarding the random selection and testing procedure will apply:

1. The number of tests conducted annually shall equal or exceed fifty percent (50%) of the average number of employees for which testing is required.
2. The City shall use a random selection process to select and shall issue a written directive to the employee to be tested for the use of controlled substances on the same day as the test is to be taken.
3. An employee shall submit to controlled substance testing when selected by a random selection process. Refusal may be considered as sufficient grounds for termination.

To assure that the process is in fact random, all covered employees, whether or not they have been chosen for testing in the past, will remain in the pool of employees for each subsequent period. This procedure assures that **the probability of any individual being selected each period is always the same**, whether or not the individual was selected in a previous period. While it may be statistically improbable, a single individual could theoretically be selected for testing on two (2), three (3) or even four (4) occasions within a calendar year. It also is important to remember that the testing will be evenly distributed throughout a calendar year. This requirement is expected to serve as a deterrent for those employees who, believing that they are exempt from further testing following a recent negative test, might consider using alcohol, drugs or other substances and not be detected.

SELECTING EMPLOYEES FOR DRUGS/ALCOHOL TESTING

Computerized System: In this method, a random number generating program is loaded into a computer along with the names or identification numbers for the covered employees. This list of names will be checked regularly by the Personnel Director who shall add and delete classifications as necessary upon notice to affected individuals. The computer then generates a list of employees to be tested during the current testing period.

The selection process is repeated until the required numbers of employees are selected. Once the list of test subjects is generated, employees should not be informed that they have been selected until they must report for testing. **Advance notice of testing shall not be given.** As in all types of tests, accurate records of the details of testing must be kept and confidentially maintained at all times.

REASONABLE SUSPICION DRUGS & ALCOHOL TESTING

The City shall require any employee to be tested, upon reasonable suspicion, for the use of drugs, alcohol or other controlled substances. An employee shall submit to testing for the use of drugs, alcohol or other controlled substances when ordered to do so by any supervisory personnel.

The conduct which caused reasonable suspicion must be witnessed by a supervisor trained in the detection of drugs and alcohol. The supervisor must be knowledgeable in the identification of actions, appearance, or conduct of an employee which are indicative of the drugs, alcohol and other controlled substances.

The documentation of the employee's conduct shall be prepared and signed by a trained supervisor and any witness(es), utilizing the Observed Behavior/Reasonable Suspicion Record Form (see attachments) as soon as possible after the observed behavior and before the results of the test are released.

“Reasonable Suspicion” means a determination by a trained supervisor that reasonable suspicion exist to require a controlled substances test which is based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the covered employee. The supervisor/witness(es) must directly observe the behavior. Hearsay or second hand information is not sufficient cause to require an employee to submit to a drug test.

The reasonable suspicion alcohol test should be administered within two (2) hours of the observation. If not, the employer must provide written documentation as to why the test was not promptly conducted. No test may be administered after eight (8) hours following the observation.

The reasonable suspicion drug test should be administered as soon as possible. If not administered within thirty-two (32) hours of the observation, the employer/supervisor must prepare a statement why not and discontinue attempts.

POST ACCIDENT DRUGS & ALCOHOL TESTING

The City shall require post accident drug and alcohol testing for any employee involved in a workplace accident where drug or alcohol cannot be completely discounted as a contributing factor. An accident occurs when as a result of an occurrence involving the vehicle an individual dies or when a State or local law enforcement authority issues a citation to the covered employee driver for a violation contributing to the accident. For purposes of this policy, accident does not include minor accidents where the damage to the vehicle does not preclude departure from the scene in its usual manner in daylight hours after simple repairs.

1. Post accidents alcohol tests should be given within two (2) hours, but in no case later than eight (8) hours. The need for testing is presumed and any determination not to test is made by the employer/supervisor based on information that the employee's performance could not have contributed to the accident/incident by drug/alcohol use. This applies to the operator and any employee who contributed to the accident.
2. The employee must make himself/herself readily available for the test, or they will be deemed to have refused the test.
3. Drug test should be administered as soon as possible. If not administered within thirty-two (32) hours of the accident/incident, the employer/supervisor must prepare a statement why not and discontinue attempts.

RETURN-TO-DUTY AND FOLLOW-UP TESTING

Any employee who has violated this drug/alcohol policy and is accepted for return-to-duty and follow-up status after being suspended from work will comply with the following guidelines:

1. Employees who violate the drug/alcohol policy shall have a return-to-duty test that requires the employee to test negative for drugs, alcohol and/or other substances.
2. A positive test result will indicate the problem has not been resolved, and therefore, requires referral to the Substance Abuse Professionals (SAP) for further assessment.
3. If the SAP suspects drug, alcohol and/or other substance use, the SAP may recommend some or all substances included in the return-to-duty testing.

NOTE: The decision to return the employee to their job duty functions and to conduct the test ultimately belongs to the City. The SAP's function is to advise the City as to whether the employee has complied with any recommended program of treatment.

4. All employees identified by the Substance Abuse Professional (SAP) as needing assistance will be subject to follow-up testing upon returning to duty. They will be subject to a minimum of six (6) unannounced tests over the following twelve (12) months. The SAP can recommend additional testing during this period or for an additional period up to a maximum of sixty (60) months from the date the employee returns to duty. The SAP can withdraw the recommendation for the follow-up testing in excess of the minimum at any time, if the SAP determines that the testing is no longer necessary and is supported by the employer.
5. Follow-up testing may include tests for other substances beyond the employee's initial positive test of alcohol and/or drug when the SAP has reason to suspect other drug, alcohol and/or other substance involvement during the follow-up period.

IMPLEMENTATION

To provide a safe, alcohol and drug-free working environment, the City of National City will:

1. Assign to the City Manager the overall responsibility for the implementation of this drug-free workplace policy. The City Manager may designate a coordinator who shall be immediately responsible to the City manager for the implementation of all aspects of the drug-free workplace policy and procedures. The coordinator for this program shall be either an employee with management status or a person with suitable professional expertise who is contracted to perform this service.
 - (a) **The coordinator shall be responsible for the following:**
 - (1) Dissemination of this policy to all current and new employees;
 - (2) The coordination of educational materials and supervisory drug training programs. Programs may be provided by an Employee Assistance Program provider or other person or organization with suitable expertise in this field.
 - (3) The oversight and evaluation of any Employee Assistance Program. The coordinator shall act as liaison between the program providers and the City. Reports of EAP activities shall be reviewed by the coordinator and, as necessary, changes recommended;
 - (4) Reports as necessary to the City Manager concerning actions taken to implement this program and in order to identify needs for making the program more effective;
 - (5) For ensuring that the appropriate federal agency is informed of any criminal drug statute convictions of employees for violations occurring in the workplace.

2. Contract with an independent drug program administrators to provide the Substance Abuse Professionals (SAP), random selection and drug testing as well as pre-employment and other drug testing services.
3. Recognize that there may be employees who have an alcohol or other drug problem and initially assist in the resolution of that problem by encouraging employees to seek help through employee assistance programs, health benefit plans, counseling services, substance abuse professionals (SAP) or other available resources.
4. Cooperate with outside law enforcement agencies.
5. Take any other actions deemed necessary and appropriate by the City.

CONSENT

Before a drug test is administered, employees and job applicants will be asked to sign a consent form authorizing the test and permitting release of test results to City representative with a need to know. The consent form shall provide a space for employees and applicants to acknowledge that they have been notified of City's drug testing policy.

REFUSAL TO CONSENT

A job applicant who refuses to consent to a drug test will be denied employment with the City.

An employee's failure to submit to drug/alcohol testing required by this policy for any reason, will be considered a failure of the drug/alcohol test and may result in disciplinary measures, up to and including termination.

CONSEQUENCES OF FAILING DRUG OR ALCOHOL TESTS

1. Employees who test positive or refuse testing for drugs, alcohol or other substances are subject to disciplinary action, up to and including termination. Employees are also subject to all state and federal law consequences governing these violations.
2. If a covered employee is not terminated, the employee:
 - a. must be removed from performing any safety-sensitive function;
 - b. must submit to an examination by a substance abuse professional. Upon a determination by the substance abuse professional, the employee may be required to undergo treatment for his/her alcohol or drug abuse. The City is not required to pay for this treatment;

- c. may not be returned to his/her former safety-sensitive position until the employee submits to a return-to-duty and follow-up testing for controlled substance and/or alcohol test which indicates an alcohol concentration level of less than 0.02 and a negative result on a controlled substance test;
- d. will be required to submit to unannounced follow-up testing after he/she has been returned to his/her safety-sensitive position.

DISCIPLINE FOR WORK-RELATED PROBLEMS

The City may, in its sole discretion, impose disciplinary measures, up to and including termination, upon employees for rule violations and work-related problems, separate and apart from violations of this policy, even if such rule violations or work-related problems result from substance abuse.

CONFIDENTIALITY

No employee or applicant will be labeled a “drug user”, and there will be no disclosure of such information to a third party who does not have a need to know about results, corrective action, or treatment involving an employee.

All investigations and test results of individuals using illicit drugs will be confidential except during those instances when the City will be required to notify legal authorities. It is the City’s position that off-duty activities that involve an employee, which negatively affect his/her performance on the job or threatens the public’s confidence constitute grounds for discipline up to and including termination of employment.

In any situation where a supervisor determines that an employee’s consumption of alcohol or drugs, whether resulting in impairment or not, adversely affects job performance or public confidence, the City may resort to corrective action, up to and including termination of employment.

EMPLOYEE RESPONSIBILITY

The City of National City believes that each employee has the responsibility to:

1. Report to work at all times free of alcohol or other drugs and their effects.
2. Not possess or use controlled substances (illegal drugs and/or prescription drugs without a prescription) or alcohol during working hours or while subject to duty, or on breaks, or at any time while on City property or in City uniform.

3. Notify his/her immediate supervisor when taking any medications or drugs, prescriptions or non-prescription which may interfere with safe and effective job performance.
4. Notify his/her immediate supervisor within five (5) days of any criminal drug/alcohol conviction for the violation law.
5. Participate in and support City sponsored drug and alcohol education programs.
6. Seek and accept assistance for alcohol and other drug abuse related problems before job performance is affected.
7. Support City efforts to eliminate alcohol and other drug abuse among employees where it exists.

ORIGINAL



City of National City

PROCEDURE FOR SUPERVISORS OF EMPLOYEES IN COVERED POSITIONS TO FOLLOW WHEN IT IS BELIEVED THAT THEY MAY BE UNDER THE INFLUENCE OF DRUGS AND/OR ALCOHOL

There may be instances when the supervisors have reasonable cause to believe that;

- an employee has consumed drugs and/or alcohol on City premises;
- reported to work under the influence of drugs and/or alcohol; or
- the supervisor has reason to believe that employee's off-duty abuse of drugs and/or alcohol has resulted in work-related problems.

Under these circumstances, the supervisor must request a urine/breath screen even though the employee is not believed to be impaired. The drug/alcohol screen is not intended to prove impairment, but to confirm the presence of the drug and/or alcohol. Whether or not impairment is suspected, if the supervisor has reason to consider requiring a drug/alcohol screen, use the following process to validate the reasons for considering a drug/alcohol screen:

1. The supervisor should personally escort the employee to an office or other private area. Have another supervisor present as a witness, if possible.
2. Confront the employee with reasons for suspecting drug and/or alcohol policy violations. Use the reasonable suspicion checklist to question and the document information from the employee. Complete the form and in conversation with the employee, determine whether or not the employee has either consumed drugs and/or alcohol on City premises or during work duty and is under the influence, or whether the employee's off-duty abuse of drugs and/or alcohol has resulted in work-related problems.
3. If the employee does not appear to be under the influence of drugs, including prescription drugs, and has not consumed drugs during work duty or on City premises, or the employee has not engaged in off-duty abuse of drugs and/or alcohol which resulted in work-related problems, and the employee is able to perform regular work duties, have him/her return to the work unit and resume work.

4. If it is believed that the employee is under the influence of, or has consumed drugs and/or alcohol on City premises or during work duty, or that the employee's off-duty abuse of drugs and/or alcohol has resulted in work-related problems, advise the employee that City rules have been violated and that he/she is being directed to provide a urine sample for drug and/or alcohol testing. Personally escort the employee (with another supervisor when possible) to the approved drugs/alcohol testing site.
5. Require the employee to read and sign a consent form, available at the testing location, agreeing to the urinalysis test. Advise the employee that refusal to sign the form or give a specimen will be treated as a refusal to obey a direct order, and will constitute an admission that the suspicion is reasonable and may be grounds for termination. Once the specimen is taken and initialed by the employee, suspend him/her with pay, pending results and a review of the circumstances.
6. If it is believed that the employee is impaired, make arrangements to have the employee taken home. Do not permit him/her to leave the premises or drive alone. If the employee refuses any assistance, make sure a witness can verify that the employee refused such assistance. If the supervisor cannot control the employee's actions and then departs without assistance, immediately call the local police or law enforcement agency to inform them of the employee's condition and refusal for assistance. Tell the law enforcement officials the employee's name, and a description of the automobile including the license number.
7. A thorough review of documentation, test results, and circumstances will be made before making a decision regarding the employee. A final decision will be made and communicated to the employee within a reasonable period unless there are extenuating circumstances.
8. If the test results are negative and the employee is returned to work with no corrective action, the suspended time is paid and the employee's record is cleared.
9. In all cases where alcohol or drug involvement is confirmed or suspected, recommend the employee to seek support from a drug/alcohol abuse program.

NOTE: Employees involved with or contributing to an accident or other incident involving actual or potentially serious injury where drugs/alcohol cannot be discounted are required to submit to a post accident urinalysis test. Consequently, steps #1 through #3 of the above procedures do not apply.

OBSERVED BEHAVIOR/REASONABLE SUSPICION RECORD

Employee's Name: _____ Job Title: _____
Observation Date: _____ Time: _____ a.m./p.m. to _____ a.m./p.m.
Location: _____

QUESTIONS

1. Do you have any medical problems for which you are currently being treated for? _____
If yes, are there any work restrictions by the doctor? _____
What is your doctor's name, address and telephone number? _____
2. Are you taking prescribed medication? _____ If yes, what medication and for what reason?

3. Do you have any medical problems for which you are not currently being treated for? _____
If yes, describe: _____

4. Are you using any type of unprescribed drug? _____ If yes, what? _____ When? _____
Where? _____ With whom? _____
5. Have you had alcohol, alcoholic beverage, and other substance with alcohol in it? _____
If yes, what? _____ When? _____
Where? _____ With whom? _____

CAUSE FOR SUSPICION

1. Presence of alcohol containers, drugs and/or paraphernalia (specify): _____

2. **Appearance:**

_____ Normal	_____ Flushed	_____ Punctured Marks
_____ Disheveled	_____ Bloodshot eyes	_____ Unusual skin sores
_____ Dilated/Constricted pupils		_____ Profuse sweating
_____ Dry-mouth symptoms		_____ Runny Nose
_____ Tremors	_____ Inappropriate wearing of sunglasses	

Other: (i.e. smells): _____

3. **Behavior/Speech** _____ Normal _____ Incoherent _____ Slurred
 _____ Silent _____ Confused _____ Slowed
 _____ Whispering _____ Angry _____ Happy

Other: _____

4. **Awareness:** _____ Normal _____ Mood swings _____ Euphoria
 _____ Confused _____ Paranoid _____ Disoriented
 _____ Lethargic _____ Lack of coordination

Other: _____

5. **Motor Skills:** _____ Normal _____ Swaying _____ Falling _____ Staggering

Other: _____

6. ***Walking & Turning:***
- | | |
|-------------------------------|----------------------------|
| _____ Normal | _____ Stumbling |
| _____ Arms raised for balance | _____ Reaching for support |

Other: _____

7. **Work Performance:**
- | | |
|--|---|
| _____ Unusual recent absenteeism and/or tardiness | _____ Frequent accidents, mistakes |
| _____ Frequent complaints of illness negatively affecting work performance | _____ Frequently misses deadlines or takes more time to complete job than necessary |
| _____ Increased high/low periods of productivity | _____ Takes needless risks |
| _____ Frequent lapses in concentration and/or judgment | _____ Disregard for safety of others |
| _____ Repeated difficulty in recalling instructions | _____ Frequent complaints from co-workers |
| _____ Constant complaining | _____ Frequently borrowing money from co-workers |
| | _____ Bringing domestic or personal problems to work |

Other: _____

8. *Other observed Actions or Behavior (specify):* _____

Witnessed by:

 (Signature) (Title) (Date) (Time) a.m./p.m.

(Signature) (Title) (Date) (Time) a.m./p.m.

This document must be prepared and signed by the witnesses within 24 hours of the observed behavior or before the results of the tests are released, whichever is earlier.



City of National City

ALCOHOL AND DRUG-FREE WORKPLACE POLICY

ARTICLE 1 - PURPOSE

Employees are the most valuable resource for a governmental organization. Their health and safety are of utmost importance. The City of National City (City) will not tolerate the use of any illegal drug, alcohol or other controlled substance that imperils the health and well-being of City employees or threatens the City's operations.

The use of illegal drugs, abuse of alcohol or other controlled substances, on or off duty, is inconsistent with the law-abiding behavior expected of all citizens. Employees who abuse illegal drugs, alcohol or other controlled substances tend to be less productive, less reliable and prone to greater absenteeism resulting in the potential for increased cost, delay and risk in the conduct of City business. Furthermore, all employees have the right to work in an alcohol and illegal drug-free environment, and to work with persons free from the effects of alcohol and illegal drug abuse. Employees who abuse illegal drugs, alcohol or other controlled substances are a danger to themselves, to co-workers and to the public.

The City Council is committed to maintaining a safe and healthy workplace free from the influence of illegal drugs, alcohol and other controlled substances. The City intends to comply with all applicable federal regulations governing workplace anti-drug programs and safety-sensitive employees, including the Drug-Free Workplace Act of 1988, the California Drug-Free Workplace Act of 1990, the Omnibus Transportation Employee Testing Act of 1991 and the Federal Transportation Administration (FTA) and Federal Motor Carrier Safety Administration (FMCSA) of the Department of Transportation (DOT). All covered employees are required to submit to drug and alcohol tests in accordance with these regulations as a condition of employment. [Due to the additional regulatory requirements placed on covered employees by state and federal law and regulations \(the term "covered employees" is defined in section 2.2 of this policy on the next page\), some provisions of this Policy apply only to covered employees. The provisions applicable to covered employees only are clearly identified in this Policy.](#)

ARTICLE 2 - INDIVIDUALS COVERED

Section 2.1 External Applicants and City Employees

[This Policy applies both to external applicants for City jobs and to City employees. Each employee must sign a statement certifying that he or she received a copy of this Policy and](#)

understands its contents. Employees should direct any questions regarding their rights and obligations under this Policy to their supervisors or to the Human Resources Department.

Section 2.2 Covered Employees

This Policy applies to covered employees as defined by DOT regulations. DOT regulations call for specific drug and alcohol testing of drivers who operate commercial motor vehicles requiring a commercial driver's license as well as employees who perform "safety-sensitive" functions. Individuals who are required to have a commercial driver's license to operate commercial motor vehicles and those performing "safety-sensitive" functions are considered "covered employees." Covered employees are prohibited from being under the influence of or in possession of illegal drugs, alcohol or other controlled substances while on-duty or on on-call status.

The following employees are considered **covered employees** subject to random drug/alcohol testing:

(a) Individuals who operate commercial motor vehicles if the vehicle:

- (1) Weighs at least 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds;
- (2) Has a gross vehicle weight of at least 26,001 pounds;
- (3) Is designed to transport 16 or more passengers, including the driver; or
- (4) Is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act and which require the vehicle to be placarded under the Hazardous Materials Regulations.

(b) Employees who perform any of the following safety-sensitive functions:

- (1) Driving a commercial motor vehicle that requires the driver to have a commercial driver's license (CDL);
- (2) Waiting to be dispatched to operate a commercial motor vehicle;
- (3) Inspecting, servicing or conditioning any commercial motor vehicle;
- (4) All time spent at the driving controls of a commercial motor vehicle;
- (5) Performing all other functions in or upon a commercial motor vehicle (except time spent resting in the sleeper berth);
- (6) Loading or unloading a commercial motor vehicle, supervising or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or giving or receiving receipts for shipments being loaded or unloaded; or

(7) Repairing, obtaining assistance or remaining in attendance upon a disabled vehicle.

A covered employee is considered to be performing a safety-sensitive function during any period in which that employee is actually performing, ready to perform, or immediately available to perform any safety-sensitive function, including off-site lunch periods and breaks.

ARTICLE 3 - SAFETY EMPLOYEES CONDUCTING OFFICIAL DUTIES

This Policy shall not prevent a Safety Employee of the City Police Department from consuming alcohol on duty or from possessing alcohol, illegal drugs, or other controlled substances on duty upon the approval of the Chief of Police or designee as part of his or her official duties and when in furtherance of the mission of the Police Department.

ARTICLE 4 - DEFINITIONS

1. ***Alcohol*** – The intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols including methyl and isopropyl alcohol.
2. ***Alcohol Use*** – The consumption of any beverage, liquid mixture or preparation (including any prescription or over-the-counter medication) containing alcohol.
3. ***Cannabis*** – All parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant. The term cannabis also means marijuana and marihuana.
4. ***City Property*** – All City owned or leased property , including but not limited to buildings and other real estate, parking lots, roads, driveways and right-of-ways, vehicles, equipment, lockers, file cabinets and desks. This includes any property used for City business or privately owned property that City employees may use while conducting City business.
5. ***Controlled Substance*** – A drug or other substance, or immediate precursor whose manufacture, possession or use is regulated by the federal government and that has a stimulant, depressant, or hallucinogenic effect on the central nervous system, including but not limited to cannabis, cocaine, opiates, Phencyclidine (PCP), and amphetamines (including methamphetamines).
6. ***Conviction*** – A finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the federal or state criminal drug statutes.
7. ***Covered Employee*** – An employee who performs safety-sensitive functions or operates certain commercial motor vehicles as defined by DOT Regulations and is subject to mandatory post-accident testing pursuant to the FMCSA and FTA.

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8. **Covered Position** – A job classification which is listed in the Civil Service Medical Guidelines as requiring drug testing or as defined by DOT Regulations.
9. **Criminal Drug Statute** – A federal or non-federal criminal statute involving manufacture, distribution, dispensation, use or possession of any controlled substance.
10. **Disabling Damage** – Damage requiring the motor vehicle to be transported away from the scene of an accident by tow truck or other motor vehicle.
11. **Drug or Drugs** – A natural or synthetic substance which, when taken into a living body, affects its functioning or structure and is capable of altering the mood, perception, or judgment of the individual ingesting the substance.
12. **Drug Testing** – A technical analysis of a biological specimen, for example urine, blood, breath, and/or saliva, to determine the presence or absence of illegal drugs or other controlled substances, their immediate precursor, or their metabolites.
13. **Employee** – An individual who is employed to perform services for the City. This includes supervisory and management personnel [and covered employees](#).
14. **Follow-Up Testing** – A written follow-up drug and/or alcohol testing plan determined by an employee's Substance Abuse Professional (SAP) after the employee resumes performance of safety-sensitive functions after committing a DOT drug or alcohol regulation violation. The SAP must require an employee to submit to a minimum of six unannounced follow-up tests in the first twelve months of safety-sensitive duty following the employee's return to safety-sensitive functions, but may require more frequent testing for up to five (5) years. The City determines the specific dates to test the employee according to the SAP's written follow-up drug and/or alcohol testing plan.
15. **Illegal Drug** – Any controlled substance that is not legally obtainable under federal law or a prescription drug obtained or used without the benefit of a prescription issued to the employee or applicant in question by a licensed physician.
16. **Job Applicant/Pre-Employment** – A person, independent contractor, or person hired by an independent contractor who applies to become an employee of or to perform work for the City.
17. **Post-Accident Testing** – A DOT requirement that the City test surviving employee drivers for alcohol and controlled substances following an occurrence involving a commercial motor vehicle operating on a public road in commerce if: (1) the driver was performing safety-sensitive functions with respect to the vehicle and the accident involved the loss of human life; or (2) the driver received a citation within 8 hours of the occurrence under State or local law for a moving traffic violation arising from the accident if the accident involved bodily injury to any person who, as a result of the injury, immediately received medical treatment away from the scene of the accident or if one or more motor vehicles incurred disabling damage requiring the motor vehicle to be transported away from the scene by tow truck or other motor vehicle.

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18. **Pre-employment Testing** – Testing of individuals proposed to be hired or promoted into a job classification designated for drug testing by the Medical Guidelines established by the Civil Service Commission or when required by DOT Regulations.

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19. **Prescription Drug** – A drug or medication that an applicant or employee can lawfully obtain or possess under federal law pursuant to a prescription issued to the applicant or employee in question by a licensed physician.

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20. **Random Testing** – An unannounced and random selection for drug and alcohol testing of employees who are in job classifications listed in the Civil Service Medical Guidelines for random drug/alcohol testing or designated as safety-sensitive positions by DOT Regulations.

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21. **Reasonable Suspicion Testing** – A test ordered by a trained supervisor who believes based on specific, contemporaneous and articulable observations concerning the appearance, behavior, speech or body odors of any employee and reasonable inferences drawn from those facts related specifically to job performance, that the employee poses a threat to him or herself or the safety of others because of illegal drugs, alcohol or other controlled substances, or an employee's own self-admission of recent use.

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22. **Return-to-Duty Testing** – A DOT requirement that the City test an employee returning to work after committing a DOT drug or alcohol regulation violation before the employee in question may return to the performance of safety-sensitive functions.

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23. **Safety-Sensitive Personnel** – Employees identified as having safety-sensitive work responsibilities as defined by the DOT. This includes all full-time, part-time, intermittent and backup employees performing safety-sensitive functions.

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24. **Substance Abuse Professional (SAP)** – A licensed physician (medical doctor or doctor of osteopathy), or a licensed or certified psychologist, social worker, employee assistance professional or an alcohol and illegal drug abuse or addiction counselor certified by the National Association of Alcohol and Drug Abuse Counselors (NAADAC) Certification Commission or by the International Certification Reciprocity Consortium/Alcohol & Other Drug Abuse (ICRCJ), with knowledge or any clinical experience in the diagnosis and treatment of alcohol and controlled substances disorders. A SAP evaluates employees who have violated the City's DOT Drug and Alcohol Policy or other regulations and makes recommendations concerning education, treatment, follow-up testing and aftercare. The SAP is the only professional authorized to return a DOT regulated employee to safety-sensitive duties, following a violation of this Policy.

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25. **Work-Related Problems** – Include, but are not limited to, substandard or unsafe work performance, excessive tardiness or regular failure to meet deadlines, obvious impairment, insubordinate behavior, inability to complete the basic requirements of one's position or other repeated disciplinary issues or occurrences.

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ARTICLE 5 - PROHIBITED CONDUCT

Section 5.1 Prohibited Conduct Applicable to Applicants and Employees

The City prohibits all applicants and employees from engaging in the following conduct:

1. Possessing, using, or being under the influence of alcohol, an illegal drug or other controlled substance while on City property, while performing their duties (regardless of whether on City property) or at any time when use of alcohol, an illegal drug or other controlled substance would impair, to any extent, the employee's ability to perform his or her duties or to operate any City equipment;
2. Possessing, using, or reporting to work with prescription drug(s) in his or her system unless a licensed physician lawfully prescribed the prescription drug(s) to the employee in question;
3. Using any over-the-counter medication during working hours if such use may detrimentally affect or impair the safety of the employee, coworkers, customers or members of the public, or interfere with safe or efficient City operations;
4. Being on duty or operating a City vehicle or equipment while possessing alcohol;
5. Using or being under the influence of any legally obtained drug or prescription drug, on the job, on City property or while conducting City business to the degree that work performance is impaired and safety of the employee, coworkers and the public is jeopardized;
6. Reporting for duty or remaining on duty when the employee has used any controlled substance, unless the use is pursuant to the instructions of a physician who has advised the employee that the substance does not adversely affect the employee's ability to operate or use a vehicle or other City equipment safely;
7. Using or being under the influence of alcohol, illegal drugs or other controlled substances while on on-call status;
8. Reporting to work while under the influence of alcohol, illegal drugs, controlled substances or other mind-altering chemicals. Any employee who is under the influence of alcohol, illegal drugs, controlled substances or other mind-altering chemicals while on on-call status, when reporting to work or during working hours, is in violation of this Policy, regardless of when or where the substance entered the employee's system;
9. Possessing an unsealed alcoholic beverage container or using or possessing alcohol, any substance containing alcohol or any other impairing substances while on City premises or while in a City vehicle or equipment;
10. Directly or through a third party, manufacturing, selling, distributing, dispensing, using or otherwise attempting to manufacture, sell, or distribute illegal drugs or controlled substances or engaging in any illegal drug activities in any form on or off duty;
11. Manufacturing, using, consuming, possessing, transferring, distributing, displaying, transporting, selling or growing cannabis in the workplace;

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12. Refusing to submit to any alcohol, illegal drug or controlled substance test required by state or federal regulations. An employee who refuses to submit to a legally required drug/alcohol test will be treated in the same manner as an employee who has tested 0.04 or greater on an alcohol test or tested positive on a controlled substances test;

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13. Refusing to provide a urine sample for a drug test;

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14. An inability to provide a urine sample without a valid medical explanation;

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15. Refusing to complete and sign the breath alcohol testing form, or otherwise to cooperate with the testing process in a way that prevents the completion of the test;

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16. An inability to provide breath or to provide an adequate amount of breath without a valid medical explanation;

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17. Tampering with or attempting to adulterate the urine specimen or collection procedure;

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18. Not reporting to the collection site in the time allotted by the supervisor or manager who directs the employee to be tested;

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19. Leaving the scene of an accident without a valid reason as to why authorization was not obtained from a supervisor or manager;

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20. Consuming alcohol during the eight (8) hours immediately following an accident involving City equipment or vehicle; and

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21. Reporting for duty or remaining on duty after a confirmed positive alcohol, illegal drug or controlled substance test before receiving clearance to return to work from appropriate City personnel, the Human Resources Director or designee.

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Section 5.2 Additional Prohibited Conduct Applicable to Covered Employees

Additionally, the City also prohibits covered employees from engaging in the following conduct:

1. Reporting for duty or remaining on duty requiring the performance of safety-sensitive functions while having an alcohol concentration level of 0.01 or greater; and

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2. Performing a safety-sensitive function while using alcohol or within four (4) hours after using alcohol.

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ARTICLE 6 - AFFIRMATIVE DUTY

Any employee who believes that alcohol, illegal drugs or other controlled substances are being illegally manufactured, distributed, dispensed or used on City premises or on City time, must immediately and without delay notify the appropriate supervisor.

Article 6—ARTICLE 7 - CONSEQUENCES FOR VIOLATIONS

Section 7.1 Applicants

Any selected applicant whose test results are verified positive for an illegal drug, alcohol or other controlled substance will have the offer of employment withdrawn by the City.

Section 7.2 Employees

Employee compliance with the City's Alcohol and Drug-Free Workplace Policy is a condition of continued employment. Any employee who violates this Policy is subject to disciplinary action, up to and including termination of employment.

Employees who test positive or refuse testing for illegal drugs, alcohol or other controlled substances are subject to disciplinary action, up to and including termination. Employees are also subject to all state and federal law consequences governing these violations.

Off-duty activities that involve an employee, which negatively affect the employee's performance or safety on the job or threaten the public's confidence, constitute grounds for discipline up to and including termination of employment.

In any situation where a supervisor determines that an employee's consumption or use of alcohol, an illegal drug or other controlled substance, regardless of whether it results in impairment or adversely affects job performance, safety or public confidence, the City may impose discipline, up to and including termination of employment.

The City may, in its sole discretion, impose disciplinary measures, up to and including termination of employment, upon employees for rule violations and work-related problems, separate and apart from violations of this Policy, even if such rule violations or work-related problems result from substance abuse.

ARTICLE 8 - CRIMINAL DRUG STATUTE CONVICTIONS

To fulfill its obligation under the Federal Drug-Free Workplace Act of 1988, the City requires any employee who is convicted of any criminal drug statute, for a violation occurring in the workplace, to provide written notice of the conviction to the ~~appropriate city personnel~~ **Director of Human Resources** no later than five (5) days after the conviction. Within thirty (30) days of receiving notice from the employee, the City will take an appropriate personnel action up to and including termination.

ARTICLE 9 - MEDICINAL AND RECREATIONAL CANNABIS

Although California law exempts use of cannabis by individuals with a California Department of Public Health issued medicinal cannabis identification card and by adults over age 21 under the Adult Use of Marijuana Act from criminal prosecution in state court, neither of these laws affect an employer's rights and obligations to maintain an illegal drug and alcohol free workplace. Similarly, these laws do not require employers to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growth of cannabis in the workplace or affect the employer's ability to have policies prohibiting the use of cannabis by employees and

prospective employees. Cannabis remains an illegal drug under the federal Controlled Substances Act and California laws do not prevent employers from complying with federal law. Accordingly, employers in California can continue to enforce workplace substance abuse policies, test for controlled substances, and refuse to hire applicants who test positive for controlled substances, even in instances where the employee or applicant was legally using cannabis under the state's Compassionate Use Act or under the Adult Use of Marijuana Act.

Therefore, both medicinal use and non-medicinal recreational use of cannabis that may be legal under state law do not constitute an acceptable explanation or excuse for a positive drug test under this Policy and do not hinder or affect the City's ability to fail or refuse to hire an applicant because of a positive drug test.

ARTICLE 10 - PRESCRIPTION DRUGS

Employees are permitted the appropriate use of federally approved and legally prescribed medications issued to the employee by a licensed physician. Employees should ascertain from the prescribing physician whether the ~~medication~~ prescription drug would interfere with their ability to perform their assigned job duties safely. To the extent an employee's job performance is impaired due to the use of a federally approved prescribed medication, the employee should notify his or her supervisor immediately. The City may temporarily reassign the employee until the City determines that the employee's work performance is no longer impaired and the safety of the employee, coworkers and the public is no longer at risk. An employee may be required to provide a statement from a licensed physician, nurse practitioner or physician's assistant indicating when the employee is able to work safely while taking the prescribed medications.

ARTICLE 11 - CONSENT

Section 11.1 Consent Form

Before administering a drug test, the City will ask that employees and job applicants sign a consent form. The consent form shall authorize the City to administer the appropriate test(s) and diagnostic procedures and shall permit the release of test results to a designated City representative with a need to know. The consent form shall provide a space for employees and applicants to acknowledge that they have been notified of the City's drug testing policy.

Section 11.2 Refusal to Consent

The City will deny employment to job applicants who refuse to consent to a drug test. The City shall consider an employee's failure to submit to a drug/alcohol test required by this Policy equivalent to testing positive on a drug or alcohol test. An employee's refusal to submit to drug and/or alcohol testing may subject an employee to disciplinary action, up to and including termination of employment.

A covered employee who refuses to submit to drug or alcohol testing must be removed immediately from performing safety-sensitive functions until successful completion of the return-to-duty process with a DOT-qualified SAP.

ARTICLE 12 - APPLICANT / PRE-EMPLOYMENT DRUG TESTS

Section 12.1 Pre-Employment Drug Tests for Non-Covered Positions

Every individual the City proposes to hire shall be free of illegal drug abuse. Every offer of employment for positions designated in the Medical Guidelines established by the City's Civil Service Commission for drug testing shall be conditional upon the passing of a pre-employment urine test for illegal drugs. The City will not hire or promote any applicant for any such designated position who fails to pass the pre-employment or pre-promotion urine test for illegal drugs.

Section 12.2 Pre-Employment Drug Tests for Covered Positions

Every offer of employment for covered positions designated by DOT Regulations for drug testing shall be conditional upon the passing of a pre-employment urine test for illegal drugs. The City will not hire or promote any applicant for any such designated covered positions who fails to pass the pre-employment or pre-promotion urine test for illegal drugs. This Policy adheres to and incorporates the minimum thresholds defined in DOT Regulations 49 CFR Part 40 for the cut-off levels used to determine when a drug test is positive.

1. Pre-employment drug tests are conducted after extending a conditional offer of employment or transfer with respect to safety-sensitive positions. The City must receive a negative pre-employment drug test result before an applicant or employee considered for a safety-sensitive position can first perform safety-sensitive functions. If a pre-employment test is cancelled, the individual will be required to undergo another test and successfully pass with a verified negative result before performing safety-sensitive functions.
2. All pre-employment and promotional health screens for covered positions will include a urine drug test designed to detect the presence of cannabinoids, cocaine, phencyclidine, opioids, amphetamines, barbiturates, benzodiazepines, methadone, methaqualone, propoxyphene or other controlled substance so designated by federal law. No pre-employment alcohol test is required.
3. If a covered employee has not performed a safety-sensitive function for 90 consecutive calendar days, and has not been in the random testing pool during that time, the employee must take and pass a pre-employment test before he or she can return to a safety-sensitive function.
4. The City shall obtain applicants' drug and alcohol testing information from their previous employers for the two (2) year period preceding the commencement of employment with the City.
5. The City reserves the right to withdraw an offer of conditional employment from any applicant who refuses to undergo a pre-employment drug test.
6. Test results will be sent to only those individuals on a need-to-know basis.

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7. If the test results are negative, the City will contact the applicant and give him or her a date to report to work.
8. If the test results are positive, the City will inform the individual that he or she has not passed the pre-employment or promotional physical and that the job offer has been withdrawn. No other elaboration will be made even if requested.
9. No prospective employee may begin work prior to employee health approval and will not be allowed to begin work at all if any illegal drugs or controlled substances are identified during the employment health screening process.
10. While the City recognizes its obligations under the disability discrimination laws, the use of or being under the influence of medicinal cannabis by a job applicant being considered for a safety-sensitive position is grounds for withdrawal of a job offer. Cannabis remains an illegal drug under the federal Controlled Substances Act and California laws do not prevent employers from complying with federal law.

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ARTICLE 13 - REASONABLE SUSPICION DRUG AND ALCOHOL TESTING

Section 13.1 Reasonable Suspicion Testing Procedure

If a supervisor reasonably suspects that an employee is under the influence of alcohol, an illegal drug or other controlled substance while performing job duties or operating City equipment and, upon prior approval by the Department head or Human Resources Director, the supervisor may require the employee to submit to a drug and/or alcohol test. A reasonable suspicion test may only be conducted when a trained supervisor has observed specific, contemporaneous, articulable observations concerning the appearance, speech, body odor, or behavior of the employee. (See the attached *Illegal Drug and Alcohol Reasonable Suspicion Evaluation Form* for reasonable suspicion factors)

An employee shall submit to testing for the on-duty use of illegal drugs, alcohol or other controlled substances when ordered to do so by any supervisory personnel. The conduct upon which reasonable suspicion is based must be witnessed by a supervisor trained in the detection of illegal drugs, alcohol or other controlled substances. The supervisor must be knowledgeable in the identification of actions, appearance, or conduct of an employee that are indicative of illegal drugs, alcohol and other controlled substances.

The documentation of the employee's conduct shall be prepared and signed by a trained supervisor and any witness(es), utilizing the *Illegal Drug and Alcohol Reasonable Suspicion Evaluation Form* (see attachments) as soon as possible after the observed behavior and before the results of the test are released.

The reasonable suspicion alcohol test should be administered within two (2) hours of the observation. If not, the supervisor must provide written documentation as to the reasons the test was not promptly conducted. No test may be administered eight (8) hours or more following the observation.

The reasonable suspicion drug test should be administered as soon as possible. If not administered within thirty-two (32) hours of the observation, the supervisor must prepare a statement explaining the reasons a test was not administered.

Section 13.2 Reasonable Suspicion Testing Following an Accident

A reasonable suspicion drug and/or alcohol test may be conducted following a work-related accident, incident or mishap that resulted in death, injury requiring medical treatment away from the scene of the accident, or property damage, where drug and/or alcohol use by the employee cannot be ruled out as a contributing factor. The supervisor must follow the testing procedure outlined in Article 13, including receiving approval by the Department head or Human Resources Director and completing the *Illegal Drug and Alcohol Reasonable Suspicion Evaluation Form* (see attachments).

Article 7—ARTICLE 14 - DRUG AND ALCOHOL TESTING FOR COVERED EMPLOYEES

Section 14.1 DOT Threshold Levels

This Policy adheres to and incorporates the minimum thresholds defined in DOT Regulations 49 CFR Part 40 for the cut-off levels used to determine when a drug test is positive.

Section 14.2 DOT Alcohol Guidelines

The DOT published amended regulations, 49 CFR Part 40, adding breath alcohol testing to the Federal Highway Administration's (FHWA) regulations pertaining to safety-sensitive personnel possessing a commercial driver's license (CDL) and operating a commercial motor vehicle (CMV). The City adheres to 49 CFR Part 40 and to state laws pertaining to personnel possessing a CDL and operating CMVs.

The following Policy is established for personnel with a CDL and includes those other employees performing safety-sensitive functions (see "safety-sensitive personnel" under definitions). This Policy prohibits the use of alcoholic beverages within four (4) hours of reporting to work and also prohibits a driver from driving while having a measurable alcohol concentration in his or her system, amounting to 0.04 or greater alcohol limitation for CMV operators.

If an employee is called to perform safety-sensitive duties during the employee's off-duty time or while on on-call status, the employee may report to work only if he or she has not consumed alcohol at any time during the previous four (4) hours. When an employee in a safety-sensitive position has consumed alcohol during the four (4) hours immediately before a "call-back," he or she will be expected to acknowledge such use at the time he or she is called. An employee on on-call status who has consumed alcohol during the four (4) hour period immediately prior to a "call-back" may be subject to discipline up to and including termination.

The City also prohibits covered employees performing safety-sensitive functions from:

1. Consuming alcohol on the job while on or off duty and
2. Refusing to submit to the required alcohol tests.

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A covered employee who violates any of these prohibitions shall be removed from performing safety-sensitive functions until he or she has met the conditions for returning to a safety-sensitive function. If an employee has an alcohol concentration of 0.02 or greater, or if the employee is under the influence of or impaired by alcohol, as indicated by behavior, speech and/or performance indicators of alcohol misuse, and a reasonable suspicion alcohol test result cannot be obtained, the employee shall be removed from safety-sensitive duties for a minimum of twenty-four (24) hours until a City test result indicates a zero (0) alcohol concentration.

Section 14.3 Random Drug and Alcohol Testing Procedure for Covered Employees

Only **covered employees** will be subject to random illegal drug and alcohol testing throughout the year for the purpose of determining the presence of alcohol, illegal drugs or controlled substances. Covered employees are those with safety-sensitive duties, as defined in this Policy, such as equipment operators, street and sewer maintenance workers, tree trimmers, traffic painters, sweeper operators, park caretakers, mechanics and classifications that have responsibilities involving the operation of commercial vehicles (i.e., requiring non-exempt class A or B licenses) for the City. Random testing will be conducted at all times of the day when safety-sensitive functions are performed.

The following items regarding the random selection and testing procedure will apply:

1. The number of tests conducted annually shall equal or exceed fifty percent (50%) of the average number of employees for which testing is required.
2. The City shall use a random selection process to select and shall issue a verbal or written directive to the employee to be tested for the use of alcohol, illegal drugs or controlled substances on the same day the test is to be taken.
3. An employee shall submit to alcohol, illegal drugs or controlled substance testing when selected by a random selection process. Refusal may be considered as sufficient grounds for discipline, including termination.
4. A covered employee will only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. A covered employee may be randomly tested for illegal drug use anytime while on duty. A covered employee who is notified of selection for random drug or random alcohol testing must immediately proceed to the designated testing site.

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~~Section 7.4~~Section 14.4 Selecting Covered Employees for Random Drug and Alcohol Testing

The City utilizes a computerized system to conduct random drug/alcohol testing. Using this method, the City loads a random number-generating program into a computer along with the names or identification numbers of the covered employees. The computer then generates a list of employees to be tested during the testing period.

The selection process is repeated until the required number of employees is selected. Once the computer generates a list of covered employees to be tested, covered employees should not be informed that they have been selected for random testing until they are notified to report for testing. **Advance notice of random testing shall not be given to any covered employee.**

To assure that the process is in fact random, all covered employees, regardless of whether they have been chosen for testing in the past, will remain in the pool of employees for each subsequent period. This procedure assures that the probability of any individual being selected each period is always the same during each selection period, regardless of whether the individual was selected in a previous period. While it may be statistically improbable, a single individual could theoretically be selected for testing on two (2), three (3) or even four (4) occasions within a calendar year. It also is important to remember that the testing occasions will be evenly distributed throughout each calendar year.

This requirement is expected to serve as a deterrent for those employees who, believing that they are exempt from further testing following a recent negative test, might consider using alcohol, illegal drugs or other controlled substances. If an employee is off work due to temporary lay-off, illness, injury or vacation, the employee's name will not be removed from the random pool so long as there is a reasonable expectation of the employee's return.

Section 14.5 Post-Accident Drug and Alcohol Testing for Covered Employees

A covered employee who is subject to post-accident testing must make him or herself readily available for the test, or he or she will be deemed to have refused the test. For purposes of this Policy, an accident does not include minor accidents where the vehicle does not incur disabling damage.

14.5.1 Post-Accident Alcohol Testing

Following an occurrence involving a City commercial motor vehicle operating on a public road, the City shall require post-accident alcohol testing for each of its surviving City employees who were functioning as drivers:

1. Who were performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or
2. Who receives a citation within eight (8) hours of the occurrence for a moving traffic violation arising from the accident, if the accident involved bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or one or more motor vehicles incurring disabling damage as a result of the accident requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

Post-accident alcohol tests should be administered within two (2) hours following the accident, but in no case later than eight (8) hours. The need for testing is presumed and any determination not to test must be made by the employer/supervisor based on information that alcohol use by the employee could not have contributed to the accident/incident. If alcohol testing is not administered within two hours following the accident, the City shall prepare and maintain on file a record stating the reasons the test was not promptly administered. If alcohol testing is not

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administered within eight hours following the accident, the City shall cease attempts to administer an alcohol test and will prepare and maintain on file a record stating the reasons the test was not administered.

14.5.2 Post-Accident Drug Testing

Following an occurrence involving a City commercial motor vehicle operating on a public road, the City shall require post-accident illegal drug/controlled substances testing for each of its surviving City employee drivers:

1. Who were performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or
2. Who receives a citation within thirty-two (32) hours of the occurrence for a moving traffic violation arising from the accident, if the accident involved bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or if one or more motor vehicles incurring disabling damage as a result of the accident requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

If illegal drug or controlled substance testing is not administered within thirty-two (32) hours following an accident, the City will cease attempts to administer a drug or controlled substance test and prepare and maintain on file a record stating the reasons the test was not promptly administered.

Section 7.2Section 14.6 Procedure after a Positive Drug and/or Alcohol Test

If a covered employee is not terminated after a positive drug and/or alcohol test, the covered employee:

1. Must be removed from performing any safety-sensitive function;
2. Must submit to an examination by a SAP. Upon a determination by the SAP, the employee may be required to undergo treatment for his or her alcohol or illegal drug abuse. If the employee follows a prescribed course of rehabilitation, he or she may not return to the safety-sensitive position until the SAP determines that he or she has completed the program. The City is not required to pay for this treatment;
3. May not be returned to his or her former safety-sensitive position until the employee has been evaluated by a SAP, complied with any recommended treatment, has been re-evaluated by a SAP, has been allowed to return to work by the SAP, and has submitted to a return-to-duty and follow-up testing for controlled substances and/or alcohol test which indicates an alcohol concentration level of less than 0.01 or a negative result on a controlled substance test;
4. Must submit to unannounced follow-up testing after he or she has been returned to his or her safety-sensitive position; and

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5. May perform any duties for the City that are not considered “safety-sensitive functions.” This may include handling of materials exclusively in a warehouse, regardless of whether the materials are considered hazardous as long as safety-sensitive functions are not performed.

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Section 14.7 Return to Duty and Follow-Up Testing

Any employee who has tested positive, refused to submit to testing, or otherwise violated this Policy and who has completed the return-to-duty process with a DOT-qualified Substance Abuse Professional (SAP), shall comply with the following guidelines:

1. Employees who violate this Policy shall have a return-to-duty test that requires the employee to test negative for illegal drugs, alcohol or other controlled substances.
2. A positive test result will indicate the problem has not been resolved, and therefore, requires referral to the SAP for further assessment.
3. If the SAP suspects use of a specific illegal drug, alcohol or other controlled substance, the SAP may recommend some or all substances be included in the return-to-duty testing.

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NOTE: The decision to return the employee to his or her job duty functions and to conduct the test ultimately belongs to the City. The SAP's function is to advise the City as to whether the employee has complied with any recommended program of treatment.

4. All employees, including covered employees, identified by the SAP as needing assistance will be subject to follow-up testing upon returning to duty. Such employees will be subject to a minimum of six (6) unannounced tests over the following twelve (12) months. The SAP can recommend additional testing during this period or for an additional period up to a maximum of sixty (60) months or five (5) years from the date the employee returns to duty. The SAP can withdraw the recommendation for the follow-up testing in excess of the minimum at any time, if the SAP determines that the testing is no longer necessary and this determination is supported by the City.
5. Follow-up testing may include tests for other substances beyond the employee's initial positive test for alcohol or illegal drug(s) when the SAP has reason to suspect other illegal drug, alcohol or controlled substance use during the follow-up period.
6. A covered employee who has engaged in prohibited conduct must submit to a return-to-duty test before returning to his or her position. The test result must indicate an alcohol concentration of less than 0.01 or a verified negative result on a drug or controlled substance test. The City requires that a return-to-duty testing be directly observed, and that it receives a negative test result before the employee may resume safety-sensitive duties.

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Section 14.8 Substance Abuse Professionals

The City offers the assistance of a SAP to employees requesting assistance or identified as having problems with illegal drugs and/or alcohol under acceptable circumstances. If necessary, the SAP will refer the employee for counseling, rehabilitation or employee assistance programs

such as those available through the City's Employee Assistance Program (EAP) or Group Health Programs.

ARTICLE 15 - REQUIRED TRAINING FOR DOT SUPERVISORS

All persons designated to supervise drivers are required to take 60 minutes of training on the symptoms of alcohol abuse and another 60 minutes of training on the symptoms of controlled substances use (120 minutes in total). This training is aimed to teach supervisors to identify circumstances and indicators that may create reasonable suspicion that a driver is using or under the influence of alcohol or illegal drugs, that supports referral of an employee for testing.

ARTICLE 16 - CONFIDENTIALITY

No employee or applicant will be labeled an "illegal drug user," and there will be no disclosure of such information to a third party who does not have a need to know about results, corrective action, or treatment involving an employee.

Any information about an employee's use of prescription or non-prescription medication, the results of any pre-employment or reasonable suspicion drug or alcohol testing, or an employee's past or present participation in rehabilitation or treatment for substance abuse, will be considered confidential personnel information. The information received in enforcing this Policy shall be disclosed only as necessary for disciplinary actions and appeals, interactive process meetings and reasonable accommodation efforts, or resolving legal issues. Any reports or test results generated pursuant to this Policy shall be stored in a confidential file, accessible only to those authorized to receive the information, and separate and distinct from the employee's personnel file.

ARTICLE 17 - IMPLEMENTATION

To provide a safe, alcohol and illegal drug-free working environment, the City will:

1. Assign to the City Manager the overall responsibility for the implementation of this Policy. The City Manager may designate a coordinator who shall be immediately responsible for the implementation of all aspects of this Policy. The coordinator for this program shall be either an employee with management status or an individual with suitable professional expertise who is contracted to perform this service.
2. The coordinator shall be responsible for the following:
 - a. Disseminating this Policy to all current and new employees;
 - b. Coordinating educational materials and supervisory drug training programs. Training programs may be provided by an Employee Assistance Program (EAP) provider or other person or organization with suitable expertise in this field.
 - c. Providing oversight and evaluation of any EAP provider. The coordinator shall act as liaison between the EAP providers and the City. The coordinator shall review all reports of EAP activities and, as necessary, make any recommended changes;

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d. Reporting as necessary to the City Manager actions taken to implement the training program and identify options for making the program more effective;

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e. Ensuring that the appropriate federal agency is informed of any criminal drug statute convictions of City employees for violations occurring in the workplace.

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3. Contract with an independent drug program administrator to provide the Substance Abuse Professionals (SAP) random selection and drug testing as well as pre-employment and other drug testing services.

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4. Assist in the resolution of employees' confirmed illegal drug and alcohol problems by encouraging employees to seek help through the City's EAP, health benefit plans, counseling services, SAP or other available resources.

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5. Cooperate with law enforcement agencies to the extent permissible by law.

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ARTICLE 18 - EMPLOYEE RESPONSIBILITY

The City believes that each employee has the responsibility to:

1. Report to work at all times free of alcohol or other illegal drugs and their influence/effects.

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2. Not possess or use illegal drugs, alcohol or controlled substances during working hours, while on-call and subject to duty, on breaks, or at any time while on City property, operating a City vehicle or equipment, or in City uniform.

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3. Notify his or her immediate supervisor when taking any medications or drugs, prescription or non-prescription, which may interfere with safe and effective job performance.

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4. Notify his or her immediate supervisor within five (5) days of any conviction for violating a criminal drug statute while in the workplace.

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5. Participate in and support City sponsored illegal drug and alcohol education programs.

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6. Seek and accept assistance for alcohol and other illegal drug abuse related problems before job performance is affected.

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7. Support City efforts to eliminate alcohol and other illegal drug abuse among employees where it exists.

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City of National City

**PROCEDURE FOR SUPERVISORS OF EMPLOYEES IN
~~SAFETY SENSITIVE COVERED~~ EMPLOYEE POSITIONS TO
FOLLOW WHEN IT IS BELIEVED THAT THEY MAY BE
UNDER THE INFLUENCE OF ILLEGAL DRUGS AND/OR**

There may be instances when a supervisor has reasonable cause to believe that:

1. An employee has consumed or ingested illegal drugs, alcohol or controlled substances on City premises;
2. An employee reported to work under the influence of illegal drugs, alcohol or controlled substances; or
3. An employee's off-duty abuse of illegal drugs, alcohol or controlled substances has resulted in work-related problems.

Under these circumstances, the supervisor must request a drug/alcohol test even though the employee is not believed to be impaired. The drug/alcohol test is not intended to prove impairment, but to confirm the presence of the drug and/or alcohol. Regardless of whether impairment is suspected, if the supervisor has reason to consider requiring a drug/alcohol test, use the following process to validate the reasons for considering a drug/alcohol test:

1. The supervisor should personally escort the employee to an office or other private area and have another supervisor present as a witness, if possible.
2. The supervisor should confront the employee with reasons for suspecting illegal drug and/or alcohol policy violations. Use the reasonable suspicion checklist to question and to document information from the employee. Complete the form and in conversation with the employee, determine whether the employee has consumed or ingested illegal drugs and/or alcohol on City premises or during work duty and is under the influence of illegal drugs, alcohol or controlled substances, or whether the employee's off-duty abuse of illegal drugs, alcohol or controlled substances has resulted in work-related problems.
3. If the employee does not appear to be under the influence of illegal drugs, including prescription drugs, and has not consumed illegal drugs during work duty or on City premises, or the employee has not engaged in off-duty consumption or abuse of illegal drugs, alcohol or controlled substances which resulted in work-related problems, and the

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employee is able to perform regular work duties, have him or her return to the work unit and resume work.

4. If the supervisor believes the employee is under the influence of, or has consumed illegal drugs, alcohol or controlled substances on City premises or during work duty, or that the employee's off-duty consumption or abuse of illegal drugs, alcohol or controlled substances has resulted in work-related problems, advise the employee that City Policy has been violated and that he or she is being directed to provide a blood, urine, breath or other sample for illegal drug, alcohol or controlled substance testing. Personally escort the employee (with another supervisor when possible) to the approved drug/alcohol testing site.
5. Require the employee to read and sign a consent form, available at the testing location, agreeing to the test. Advise the employee that refusal to sign the form or give a specimen will be treated as a refusal to obey a direct order, and will constitute an admission that the suspicion is reasonable and may be grounds for termination. Once the specimen is taken and initialed by the employee, suspend him or her with pay, pending results and a review of the circumstances.
6. If it is believed that the employee is impaired, make arrangements to have the employee taken home. Do not permit the employee to leave the premises or drive alone. If the employee refuses any assistance, make sure a witness can verify that the employee refused such assistance. If the supervisor cannot control the employee's actions and the employee departs without assistance, immediately call the police department to inform them of the employee's condition and refusal for assistance. Tell the law enforcement officials the employee's name and a description of the automobile including the license number.
7. A thorough review of documentation, test results, and circumstances will be made before making a decision regarding the employee. A final decision will be made and communicated to the employee within a reasonable period unless there are extenuating circumstances.
8. If the test results are negative and the employee is returned to work with no corrective action, the suspended time is paid and the employee's record is cleared.
9. In all cases where the involvement of illegal drugs, alcohol or controlled substances is confirmed or suspected, recommend the employee seek support from an illegal drug/alcohol abuse program.

NOTE: ECovered employees involved with or contributing to an accident or other incident involving actual or potentially serious injury where illegal drugs/alcohol cannot be discounted are required to submit to a post-accident drug/alcohol test. Consequently, steps #1 through #3 of the above procedures do not apply.

**ILLEGAL DRUG AND ALCOHOL
REASONABLE SUSPICION EVALUATION FORM**

Employee Name: _____ Job Title: _____
Observation Date: _____ Time: _____ a.m./p.m. to _____ a.m./p.m.
Location of Employee: _____
Location of Supervisor(s): _____
Others Present During Activities or Observations: _____
Incident(s) Observed Which Gave Cause for Reasonable Suspicion: _____

The City may require a blood test, urinalysis, or other illegal drug and/or alcohol testing of any employee a trained Supervisor reasonably suspects is under the influence of an illegal drug and/or alcohol at work. Reasonable suspicion exists if, based on two or more of the objective factors listed below, a trained Supervisor would believe that the employee is under the influence of an illegal drug and/or alcohol at work.

CAUSE FOR SUSPICION

1. Presence of alcohol, alcohol containers, illegal drugs or illegal drug paraphernalia (specify): _____

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2. **Appearance:**

<input type="checkbox"/> Normal	<input type="checkbox"/> Flushed	<input type="checkbox"/> Puncture Marks
<input type="checkbox"/> Disheveled	<input type="checkbox"/> Bloodshot/Glassy eyes	<input type="checkbox"/> Unusual Skin Sores
<input type="checkbox"/> Dilated/Constricted Pupils	<input type="checkbox"/> Profuse Sweating	<input type="checkbox"/> Smell of Alcohol
<input type="checkbox"/> Dry-mouth Symptoms	<input type="checkbox"/> Runny Nose/Sores	<input type="checkbox"/> Smell of Cannabis
<input type="checkbox"/> Tremors	<input type="checkbox"/> Inappropriate Wearing of Sunglasses	

Other: _____

3. **Behavior/Speech**

<input type="checkbox"/> Normal	<input type="checkbox"/> Incoherent	<input type="checkbox"/> Slurred
<input type="checkbox"/> Silent	<input type="checkbox"/> Confused	<input type="checkbox"/> Slowed
<input type="checkbox"/> Whispering	<input type="checkbox"/> Angry/Hostile	<input type="checkbox"/> Happy
<input type="checkbox"/> Agitated	<input type="checkbox"/> Sleeping on the Job	<input type="checkbox"/> Unconscious

Other: _____

4. **Awareness:**

<input type="checkbox"/> Normal	<input type="checkbox"/> Mood Swings	<input type="checkbox"/> Euphoria
<input type="checkbox"/> Confused	<input type="checkbox"/> Paranoid	<input type="checkbox"/> Disoriented
<input type="checkbox"/> Lethargic	<input type="checkbox"/> Lack of Coordination	

Other: _____

5. **Motor Skills/Balance:**

<input type="checkbox"/> Normal	<input type="checkbox"/> Swaying	<input type="checkbox"/> Falling
<input type="checkbox"/> Staggering	<input type="checkbox"/> Unsteady	<input type="checkbox"/> Arms Raised for Balance
<input type="checkbox"/> Stumbling	<input type="checkbox"/> Reaching for Support	

Other: _____

6. **Walking & Turning:**

<input type="checkbox"/> Normal	<input type="checkbox"/> Arms Raised for Balance
<input type="checkbox"/> Stumbling	<input type="checkbox"/> Reaching for Support

Other: _____

7. **Work Performance:**

<input type="checkbox"/> Unusual Recent Absenteeism	<input type="checkbox"/> Frequent Accidents, Mistakes or Tardiness
<input type="checkbox"/> Frequent Complaints of Illness Negatively Affecting Work Performance	<input type="checkbox"/> Frequently Misses Deadlines or Takes More Time to Complete Job than Necessary
<input type="checkbox"/> Increased High/Low Periods of Productivity	<input type="checkbox"/> Takes Needless Risks
<input type="checkbox"/> Frequent Lapses in Concentration or Judgment	<input type="checkbox"/> Disregard for Safety of Others
<input type="checkbox"/> Repeated Difficulty in Recalling Instructions	<input type="checkbox"/> Frequent Complaints from Co-workers
<input type="checkbox"/> Constant Complaining	<input type="checkbox"/> Frequently Borrowing Money from Co-Workers
<input type="checkbox"/> Bringing Domestic or Personal Problems to Work	

Other: _____

8. **Other Observed Actions or Behavior (specify):** _____

Witnessed by:

_____	_____	_____	_____ a.m./p.m.
Signature	Title	Date	Time

_____	_____	_____	_____ a.m./p.m.
Signature	Title	Date	Time

This document must be prepared and signed by the witnesses within 24 hours of the observed behavior or before the results of the tests are released, whichever is earlier.

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City of National City

ALCOHOL AND DRUG-FREE WORKPLACE POLICY

ARTICLE 1 - PURPOSE

Employees are the most valuable resource for a governmental organization. Their health and safety are of utmost importance. The City of National City (City) will not tolerate the use of any illegal drug, alcohol or other controlled substance that imperils the health and well-being of City employees or threatens the City's operations.

The use of illegal drugs, abuse of alcohol or other controlled substances, on or off duty, is inconsistent with the law-abiding behavior expected of all citizens. Employees who abuse illegal drugs, alcohol or other controlled substances tend to be less productive, less reliable and prone to greater absenteeism resulting in the potential for increased cost, delay and risk in the conduct of City business. Furthermore, all employees have the right to work in an alcohol and illegal drug-free environment, and to work with persons free from the effects of alcohol and illegal drug abuse. Employees who abuse illegal drugs, alcohol or other controlled substances are a danger to themselves, to co-workers and to the public.

The City Council is committed to maintaining a safe and healthy workplace free from the influence of illegal drugs, alcohol and other controlled substances. The City intends to comply with all applicable federal regulations governing workplace anti-drug programs and safety-sensitive employees, including the Drug-Free Workplace Act of 1988, the California Drug-Free Workplace Act of 1990, the Omnibus Transportation Employee Testing Act of 1991 and the Federal Transportation Administration (FTA) and Federal Motor Carrier Safety Administration (FMCSA) of the Department of Transportation (DOT). All covered employees are required to submit to drug and alcohol tests in accordance with these regulations as a condition of employment. Due to the additional regulatory requirements placed on covered employees by state and federal law and regulations (the term "covered employees" is defined in section 2.2 of this policy on the next page), some provisions of this Policy apply only to covered employees. The provisions applicable to covered employees only are clearly identified in this Policy.

ARTICLE 2 - INDIVIDUALS COVERED

Section 2.1 External Applicants and City Employees

This Policy applies both to external applicants for City jobs and to City employees. Each employee must sign a statement certifying that he or she received a copy of this Policy and

understands its contents. Employees should direct any questions regarding their rights and obligations under this Policy to their supervisors or to the Human Resources Department.

Section 2.2 Covered Employees

This Policy applies to covered employees as defined by DOT regulations. DOT regulations call for specific drug and alcohol testing of drivers who operate commercial motor vehicles requiring a commercial driver's license as well as employees who perform "safety-sensitive" functions. Individuals who are required to have a commercial driver's license to operate commercial motor vehicles and those performing "safety-sensitive" functions are considered "covered employees." Covered employees are prohibited from being under the influence of or in possession of illegal drugs, alcohol or other controlled substances while on-duty or on on-call status.

The following employees are considered **covered employees** subject to random drug/alcohol testing:

(a) **Individuals who operate commercial motor vehicles if the vehicle:**

- (1) Weighs at least 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds;
- (2) Has a gross vehicle weight of at least 26,001 pounds;
- (3) Is designed to transport 16 or more passengers, including the driver; or
- (4) Is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act and which require the vehicle to be placarded under the Hazardous Materials Regulations.

(b) **Employees who perform any of the following safety-sensitive functions:**

- (1) Driving a commercial motor vehicle that requires the driver to have a commercial driver's license (CDL);
- (2) Waiting to be dispatched to operate a commercial motor vehicle;
- (3) Inspecting, servicing or conditioning any commercial motor vehicle;
- (4) All time spent at the driving controls of a commercial motor vehicle;
- (5) Performing all other functions in or upon a commercial motor vehicle (except time spent resting in the sleeper berth);
- (6) Loading or unloading a commercial motor vehicle, supervising or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or giving or receiving receipts for shipments being loaded or unloaded; or

- (7) Repairing, obtaining assistance or remaining in attendance upon a disabled vehicle.

A covered employee is considered to be performing a safety-sensitive function during any period in which that employee is actually performing, ready to perform, or immediately available to perform any safety-sensitive function, including off-site lunch periods and breaks.

ARTICLE 3 - SAFETY EMPLOYEES CONDUCTING OFFICIAL DUTIES

This Policy shall not prevent a Safety Employee of the City Police Department from consuming alcohol on duty or from possessing alcohol, illegal drugs, or other controlled substances on duty upon the approval of the Chief of Police or designee as part of his or her official duties and when in furtherance of the mission of the Police Department.

ARTICLE 4 - DEFINITIONS

1. ***Alcohol*** – The intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols including methyl and isopropyl alcohol.
2. ***Alcohol Use*** – The consumption of any beverage, liquid mixture or preparation (including any prescription or over-the-counter medication) containing alcohol.
3. ***Cannabis*** – All parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant. The term cannabis also means marijuana and marihuana.
4. ***City Property*** – All City owned or leased property , including but not limited to buildings and other real estate, parking lots, roads, driveways and right-of-ways, vehicles, equipment, lockers, file cabinets and desks. This includes any property used for City business or privately owned property that City employees may use while conducting City business.
5. ***Controlled Substance*** – A drug or other substance, or immediate precursor whose manufacture, possession or use is regulated by the federal government and that has a stimulant, depressant, or hallucinogenic effect on the central nervous system, including but not limited to cannabis, cocaine, opiates, Phencyclidine (PCP), and amphetamines (including methamphetamines).
6. ***Conviction*** – A finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the federal or state criminal drug statutes.
7. ***Covered Employee*** – An employee who performs safety-sensitive functions or operates certain commercial motor vehicles as defined by DOT Regulations and is subject to mandatory post-accident testing pursuant to the FMCSA and FTA.
8. ***Covered Position*** – A job classification which is listed in the Civil Service Medical Guidelines as requiring drug testing or as defined by DOT Regulations.

9. ***Criminal Drug Statute*** – A federal or non-federal criminal statute involving manufacture, distribution, dispensation, use or possession of any controlled substance.
10. ***Disabling Damage*** – Damage requiring the motor vehicle to be transported away from the scene of an accident by tow truck or other motor vehicle.
11. ***Drug or Drugs*** – A natural or synthetic substance which, when taken into a living body, affects its functioning or structure and is capable of altering the mood, perception, or judgment of the individual ingesting the substance.
12. ***Drug Testing*** – A technical analysis of a biological specimen, for example urine, blood, breath, and/or saliva, to determine the presence or absence of illegal drugs or other controlled substances, their immediate precursor, or their metabolites.
13. ***Employee*** – An individual who is employed to perform services for the City. This includes supervisory and management personnel and covered employees.
14. ***Follow-Up Testing*** – A written follow-up drug and/or alcohol testing plan determined by an employee's Substance Abuse Professional (SAP) after the employee resumes performance of safety-sensitive functions after committing a DOT drug or alcohol regulation violation. The SAP must require an employee to submit to a minimum of six unannounced follow-up tests in the first twelve months of safety-sensitive duty following the employee's return to safety-sensitive functions, but may require more frequent testing for up to five (5) years. The City determines the specific dates to test the employee according to the SAP's written follow-up drug and/or alcohol testing plan.
15. ***Illegal Drug*** – Any controlled substance that is not legally obtainable under federal law or a prescription drug obtained or used without the benefit of a prescription issued to the employee or applicant in question by a licensed physician.
16. ***Job Applicant/Pre-Employment*** – A person, independent contractor, or person hired by an independent contractor who applies to become an employee of or to perform work for the City.
17. ***Post-Accident Testing*** – A DOT requirement that the City test surviving employee drivers for alcohol and controlled substances following an occurrence involving a commercial motor vehicle operating on a public road in commerce if: (1) the driver was performing safety-sensitive functions with respect to the vehicle and the accident involved the loss of human life; or (2) the driver received a citation within 8 hours of the occurrence under State or local law for a moving traffic violation arising from the accident if the accident involved bodily injury to any person who, as a result of the injury, immediately received medical treatment away from the scene of the accident or if one or more motor vehicles incurred disabling damage requiring the motor vehicle to be transported away from the scene by tow truck or other motor vehicle.
18. ***Pre-employment Testing*** – Testing of individuals proposed to be hired or promoted into a job classification designated for drug testing by the Medical Guidelines established by the Civil Service Commission or when required by DOT Regulations.

19. ***Prescription Drug*** – A drug or medication that an applicant or employee can lawfully obtain or possess under federal law pursuant to a prescription issued to the applicant or employee in question by a licensed physician.
20. ***Random Testing*** – An unannounced and random selection for drug and alcohol testing of employees who are in job classifications listed in the Civil Service Medical Guidelines for random drug/alcohol testing or designated as safety-sensitive positions by DOT Regulations.
21. ***Reasonable Suspicion Testing*** – A test ordered by a trained supervisor who believes based on specific, contemporaneous and articulable observations concerning the appearance, behavior, speech or body odors of any employee and reasonable inferences drawn from those facts related specifically to job performance, that the employee poses a threat to him or herself or the safety of others because of illegal drugs, alcohol or other controlled substances, or an employee's own self-admission of recent use.
22. ***Return-to-Duty Testing*** – A DOT requirement that the City test an employee returning to work after committing a DOT drug or alcohol regulation violation before the employee in question may return to the performance of safety-sensitive functions.
23. ***Safety-Sensitive Personnel*** – Employees identified as having safety-sensitive work responsibilities as defined by the DOT. This includes all full-time, part-time, intermittent and backup employees performing safety-sensitive functions.
24. ***Substance Abuse Professional (SAP)*** – A licensed physician (medical doctor or doctor of osteopathy), or a licensed or certified psychologist, social worker, employee assistance professional or an alcohol and illegal drug abuse or addiction counselor certified by the National Association of Alcohol and Drug Abuse Counselors (NAADAC) Certification Commission or by the International Certification Reciprocity Consortium/Alcohol & Other Drug Abuse (ICRCJ), with knowledge or any clinical experience in the diagnosis and treatment of alcohol and controlled substances disorders. A SAP evaluates employees who have violated the City's DOT Drug and Alcohol Policy or other regulations and makes recommendations concerning education, treatment, follow-up testing and aftercare. The SAP is the only professional authorized to return a DOT regulated employee to safety-sensitive duties, following a violation of this Policy.
25. ***Work-Related Problems*** – Include, but are not limited to, substandard or unsafe work performance, excessive tardiness or regular failure to meet deadlines, obvious impairment, insubordinate behavior, inability to complete the basic requirements of one's position or other repeated disciplinary issues or occurrences.

ARTICLE 5 - PROHIBITED CONDUCT

Section 5.1 Prohibited Conduct Applicable to Applicants and Employees

The City prohibits all applicants and employees from engaging in the following conduct:

1. Possessing, using, or being under the influence of alcohol, an illegal drug or other controlled substance while on City property, while performing their duties (regardless of whether on City property) or at any time when use of alcohol, an illegal drug or other controlled substance would impair, to any extent, the employee's ability to perform his or her duties or to operate any City equipment;
2. Possessing, using, or reporting to work with prescription drug(s) in his or her system, unless a licensed physician lawfully prescribed the prescription drug(s) to the employee in question;
3. Using any over-the-counter medication during working hours if such use may detrimentally affect or impair the safety of the employee, coworkers, customers or members of the public, or interfere with safe or efficient City operations;
4. Being on duty or operating a City vehicle or equipment while possessing alcohol;
5. Using or being under the influence of any legally obtained drug or prescription drug, on the job, on City property or while conducting City business to the degree that work performance is impaired and safety of the employee, coworkers and the public is jeopardized;
6. Reporting for duty or remaining on duty when the employee has used any controlled substance, unless the use is pursuant to the instructions of a physician who has advised the employee that the substance does not adversely affect the employee's ability to operate or use a vehicle or other City equipment safely;
7. Using or being under the influence of alcohol, illegal drugs or other controlled substances while on on-call status;
8. Reporting to work while under the influence of alcohol, illegal drugs, controlled substances or other mind-altering chemicals. Any employee who is under the influence of alcohol, illegal drugs, controlled substances or other mind-altering chemicals while on on-call status, when reporting to work or during working hours, is in violation of this Policy, regardless of when or where the substance entered the employee's system;
9. Possessing an unsealed alcoholic beverage container or using or possessing alcohol, any substance containing alcohol or any other impairing substances while on City premises or while in a City vehicle or equipment;
10. Directly or through a third party, manufacturing, selling, distributing, dispensing, using or otherwise attempting to manufacture, sell, or distribute illegal drugs or controlled substances or engaging in any illegal drug activities in any form on or off duty;
11. Manufacturing, using, consuming, possessing, transferring, distributing, displaying, transporting, selling or growing cannabis in the workplace;
12. Refusing to submit to any alcohol, illegal drug or controlled substance test required by state or federal regulations. An employee who refuses to submit to a legally required

drug/alcohol test will be treated in the same manner as an employee who has tested 0.04 or greater on an alcohol test or tested positive on a controlled substances test;

13. Refusing to provide a urine sample for a drug test;
14. An inability to provide a urine sample without a valid medical explanation;
15. Refusing to complete and sign the breath alcohol testing form, or otherwise to cooperate with the testing process in a way that prevents the completion of the test;
16. An inability to provide breath or to provide an adequate amount of breath without a valid medical explanation;
17. Tampering with or attempting to adulterate the urine specimen or collection procedure;
18. Not reporting to the collection site in the time allotted by the supervisor or manager who directs the employee to be tested;
19. Leaving the scene of an accident without a valid reason as to why authorization was not obtained from a supervisor or manager;
20. Consuming alcohol during the eight (8) hours immediately following an accident involving City equipment or vehicle; and
21. Reporting for duty or remaining on duty after a confirmed positive alcohol, illegal drug, or controlled substance test before receiving clearance to return to work from Director of Human Resources or designee.

Section 5.2 Additional Prohibited Conduct Applicable to Covered Employees

Additionally, the City also prohibits covered employees from engaging in the following conduct:

1. Reporting for duty or remaining on duty requiring the performance of safety-sensitive functions while having an alcohol concentration level of 0.01 or greater; and
2. Performing a safety-sensitive function while using alcohol or within four (4) hours after using alcohol.

ARTICLE 6 - AFFIRMATIVE DUTY

Any employee who believes that alcohol, illegal drugs or other controlled substances are being illegally manufactured, distributed, dispensed or used on City premises or on City time, must immediately and without delay notify the appropriate supervisor.

ARTICLE 7 - CONSEQUENCES FOR VIOLATIONS

Section 7.1 Applicants

Any selected applicant whose test results are verified positive for an illegal drug, alcohol or other controlled substance will have the offer of employment withdrawn by the City.

Section 7.2 Employees

Employee compliance with the City's Alcohol and Drug-Free Workplace Policy is a condition of continued employment. Any employee who violates this Policy is subject to disciplinary action, up to and including termination of employment.

Employees who test positive or refuse testing for illegal drugs, alcohol or other controlled substances are subject to disciplinary action, up to and including termination. Employees are also subject to all state and federal law consequences governing these violations.

Off-duty activities that involve an employee, which negatively affect the employee's performance or safety on the job or threaten the public's confidence, constitute grounds for discipline up to and including termination of employment.

In any situation where a supervisor determines that an employee's consumption or use of alcohol, an illegal drug or other controlled substance, regardless of whether it results in impairment or adversely affects job performance, safety or public confidence, the City may impose discipline, up to and including termination of employment.

The City may, in its sole discretion, impose disciplinary measures, up to and including termination of employment, upon employees for rule violations and work-related problems, separate and apart from violations of this Policy, even if such rule violations or work-related problems result from substance abuse.

ARTICLE 8 - CRIMINAL DRUG STATUTE CONVICTIONS

To fulfill its obligation under the Federal Drug-Free Workplace Act of 1988, the City requires any employee who is convicted of any criminal drug statute, for a violation occurring in the workplace, to provide written notice of the conviction to the Director of Human Resources no later than five (5) days after the conviction. Within thirty (30) days of receiving notice from the employee, the City will take an appropriate personnel action up to and including termination.

ARTICLE 9 - MEDICINAL AND RECREATIONAL CANNABIS

Although California law exempts use of cannabis by individuals with a California Department of Public Health issued medicinal cannabis identification card and by adults over age 21 under the Adult Use of Marijuana Act from criminal prosecution in state court, neither of these laws affect an employer's rights and obligations to maintain an illegal drug and alcohol free workplace. Similarly, these laws do not require employers to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growth of cannabis in the workplace or

affect the employer's ability to have policies prohibiting the use of cannabis by employees and prospective employees. Cannabis remains an illegal drug under the federal Controlled Substances Act and California laws do not prevent employers from complying with federal law. Accordingly, employers in California can continue to enforce workplace substance abuse policies, test for controlled substances, and refuse to hire applicants who test positive for controlled substances, even in instances where the employee or applicant was legally using cannabis under the state's Compassionate Use Act or under the Adult Use of Marijuana Act.

Therefore, both medicinal use and non-medicinal recreational use of cannabis that may be legal under state law do not constitute an acceptable explanation or excuse for a positive drug test under this Policy and do not hinder or affect the City's ability to fail or refuse to hire an applicant because of a positive drug test.

ARTICLE 10 - PRESCRIPTION DRUGS

Employees are permitted the appropriate use of federally approved and legally prescribed medications issued to the employee by a licensed physician. Employees should ascertain from the prescribing physician whether the prescription drug would interfere with their ability to perform their assigned job duties safely. To the extent an employee's job performance is impaired due to the use of a federally approved prescribed medication, the employee should notify his or her supervisor immediately. The City may temporarily reassign the employee until the City determines that the employee's work performance is no longer impaired and the safety of the employee, coworkers and the public is no longer at risk. An employee may be required to provide a statement from a licensed physician, nurse practitioner or physician's assistant indicating when the employee is able to work safely while taking the prescribed medications.

ARTICLE 11 - CONSENT

Section 11.1 Consent Form

Before administering a drug test, the City will ask that employees and job applicants sign a consent form. The consent form shall authorize the City to administer the appropriate test(s) and diagnostic procedures and shall permit the release of test results to a designated City representative with a need to know. The consent form shall provide a space for employees and applicants to acknowledge that they have been notified of the City's drug testing policy.

Section 11.2 Refusal to Consent

The City will deny employment to job applicants who refuse to consent to a drug test. The City shall consider an employee's failure to submit to a drug/alcohol test required by this Policy equivalent to testing positive on a drug or alcohol test. An employee's refusal to submit to drug and/or alcohol testing may subject an employee to disciplinary action, up to and including termination of employment.

A **covered employee** who refuses to submit to drug or alcohol testing must be removed immediately from performing safety-sensitive functions until successful completion of the return-to-duty process with a DOT-qualified SAP.

ARTICLE 12 - APPLICANT / PRE-EMPLOYMENT DRUG TESTS

Section 12.1 Pre-Employment Drug Tests for Non-Covered Positions

Every individual the City proposes to hire shall be free of illegal drug abuse. Every offer of employment for positions designated in the Medical Guidelines established by the City's Civil Service Commission for drug testing shall be conditional upon the passing of a pre-employment urine test for illegal drugs. The City will not hire or promote any applicant for any such designated position who fails to pass the pre-employment or pre-promotion urine test for illegal drugs.

Section 12.2 Pre-Employment Drug Tests for Covered Positions

Every offer of employment for covered positions designated by DOT Regulations for drug testing shall be conditional upon the passing of a pre-employment urine test for illegal drugs. The City will not hire or promote any applicant for any such designated covered positions who fails to pass the pre-employment or pre-promotion urine test for illegal drugs. This Policy adheres to and incorporates the minimum thresholds defined in DOT Regulations 49 CFR Part 40 for the cut-off levels used to determine when a drug test is positive.

1. Pre-employment drug tests are conducted after extending a conditional offer of employment or transfer with respect to safety-sensitive positions. The City must receive a negative pre-employment drug test result before an applicant or employee considered for a safety-sensitive position can first perform safety-sensitive functions. If a pre-employment test is cancelled, the individual will be required to undergo another test and successfully pass with a verified negative result before performing safety-sensitive functions.
2. All pre-employment and promotional health screens for covered positions will include a urine drug test designed to detect the presence of cannabinoids, cocaine, phencyclidine, opioids, amphetamines, barbiturates, benzodiazepines, methadone, methaqualone, propoxyphene or other controlled substance so designated by federal law. No pre-employment alcohol test is required.
3. If a covered employee has not performed a safety-sensitive function for 90 consecutive calendar days, and has not been in the random testing pool during that time, the employee must take and pass a pre-employment test before he or she can return to a safety-sensitive function.
4. The City shall obtain applicants' drug and alcohol testing information from their previous employers for the two (2) year period preceding the commencement of employment with the City.
5. The City reserves the right to withdraw an offer of conditional employment from any applicant who refuses to undergo a pre-employment drug test.
6. Test results will be sent to only those individuals on a need-to-know basis.

7. If the test results are negative, the City will contact the applicant and give him or her a date to report to work.
8. If the test results are positive, the City will inform the individual that he or she has not passed the pre-employment or promotional physical and that the job offer has been withdrawn. No other elaboration will be made even if requested.
9. No prospective employee may begin work prior to employee health approval and will not be allowed to begin work at all if any illegal drugs or controlled substances are identified during the employment health screening process.
10. While the City recognizes its obligations under the disability discrimination laws, the use of or being under the influence of medicinal cannabis by a job applicant being considered for a safety-sensitive position is grounds for withdrawal of a job offer. Cannabis remains an illegal drug under the federal Controlled Substances Act and California laws do not prevent employers from complying with federal law.

ARTICLE 13 - REASONABLE SUSPICION DRUG AND ALCOHOL TESTING

Section 13.1 Reasonable Suspicion Testing Procedure

If a supervisor reasonably suspects that an employee is under the influence of alcohol, an illegal drug or other controlled substance while performing job duties or operating City equipment and, upon prior approval by the Department head or Human Resources Director, the supervisor may require the employee to submit to a drug and/or alcohol test. A reasonable suspicion test may only be conducted when a trained supervisor has observed specific, contemporaneous, articulable observations concerning the appearance, speech, body odor, or behavior of the employee. (See the attached *Illegal Drug and Alcohol Reasonable Suspicion Evaluation Form* for reasonable suspicion factors)

An employee shall submit to testing for the on-duty use of illegal drugs, alcohol or other controlled substances when ordered to do so by any supervisory personnel. The conduct upon which reasonable suspicion is based must be witnessed by a supervisor trained in the detection of illegal drugs, alcohol or other controlled substances. The supervisor must be knowledgeable in the identification of actions, appearance, or conduct of an employee that are indicative of illegal drugs, alcohol and other controlled substances.

The documentation of the employee's conduct shall be prepared and signed by a trained supervisor and any witness(es), utilizing the *Illegal Drug and Alcohol Reasonable Suspicion Evaluation Form* (see attachments) as soon as possible after the observed behavior and before the results of the test are released.

The reasonable suspicion alcohol test should be administered within two (2) hours of the observation. If not, the supervisor must provide written documentation as to the reasons the test was not promptly conducted. No test may be administered eight (8) hours or more following the observation.

The reasonable suspicion drug test should be administered as soon as possible. If not administered within thirty-two (32) hours of the observation, the supervisor must prepare a statement explaining the reasons a test was not administered.

Section 13.2 Reasonable Suspicion Testing Following an Accident

A reasonable suspicion drug and/or alcohol test may be conducted following a work-related accident, incident or mishap that resulted in death, injury requiring medical treatment away from the scene of the accident, or property damage, where drug and/or alcohol use by the employee cannot be ruled out as a contributing factor. The supervisor must follow the testing procedure outlined in Article 13, including receiving approval by the Department head or Human Resources Director and completing the *Illegal Drug and Alcohol Reasonable Suspicion Evaluation Form* (see attachments).

ARTICLE 14 - DRUG AND ALCOHOL TESTING FOR COVERED EMPLOYEES

Section 14.1 DOT Threshold Levels

This Policy adheres to and incorporates the minimum thresholds defined in DOT Regulations 49 CFR Part 40 for the cut-off levels used to determine when a drug test is positive.

Section 14.2 DOT Alcohol Guidelines

The DOT published amended regulations, 49 CFR Part 40, adding breath alcohol testing to the Federal Highway Administration's (FHWA) regulations pertaining to safety-sensitive personnel possessing a commercial driver's license (CDL) and operating a commercial motor vehicle (CMV). The City adheres to 49 CFR Part 40 and to state laws pertaining to personnel possessing a CDL and operating CMVs.

The following Policy is established for personnel with a CDL and includes those other employees performing safety-sensitive functions (see "safety-sensitive personnel" under definitions). This Policy prohibits the use of alcoholic beverages within four (4) hours of reporting to work and also prohibits a driver from driving while having a measurable alcohol concentration in his or her system, amounting to 0.04 or greater alcohol limitation for CMV operators.

If an employee is called to perform safety-sensitive duties during the employee's off-duty time or while on on-call status, the employee may report to work only if he or she has not consumed alcohol at any time during the previous four (4) hours. When an employee in a safety-sensitive position has consumed alcohol during the four (4) hours immediately before a "call-back," he or she will be expected to acknowledge such use at the time he or she is called. An employee on on-call status who has consumed alcohol during the four (4) hour period immediately prior to a "call-back" may be subject to discipline up to and including termination.

The City also prohibits covered employees performing safety-sensitive functions from:

1. Consuming alcohol on the job while on or off duty and
2. Refusing to submit to the required alcohol tests.

A covered employee who violates any of these prohibitions shall be removed from performing safety-sensitive functions until he or she has met the conditions for returning to a safety-sensitive function. If an employee has an alcohol concentration of 0.02 or greater, or if the employee is under the influence of or impaired by alcohol, as indicated by behavior, speech and/or performance indicators of alcohol misuse, and a reasonable suspicion alcohol test result cannot be obtained, the employee shall be removed from safety-sensitive duties for a minimum of twenty-four (24) hours until a City test result indicates a zero (0) alcohol concentration.

Section 14.3 Random Drug and Alcohol Testing Procedure for Covered Employees

Only **covered employees** will be subject to random illegal drug and alcohol testing throughout the year for the purpose of determining the presence of alcohol, illegal drugs or controlled substances. Covered employees are those with safety-sensitive duties, as defined in this Policy, such as equipment operators, street and sewer maintenance workers, tree trimmers, traffic painters, sweeper operators, park caretakers, mechanics and classifications that have responsibilities involving the operation of commercial vehicles (i.e., requiring non-exempt class A or B licenses) for the City. Random testing will be conducted at all times of the day when safety-sensitive functions are performed.

The following items regarding the random selection and testing procedure will apply:

1. The number of tests conducted annually shall equal or exceed fifty percent (50%) of the average number of employees for which testing is required.
2. The City shall use a random selection process to select and shall issue a verbal or written directive to the employee to be tested for the use of alcohol, illegal drugs or controlled substances on the same day the test is to be taken.
3. An employee shall submit to alcohol, illegal drugs or controlled substance testing when selected by a random selection process. Refusal may be considered as sufficient grounds for discipline, including termination.
4. A covered employee will only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. A covered employee may be randomly tested for illegal drug use anytime while on duty. A covered employee who is notified of selection for random drug or random alcohol testing must immediately proceed to the designated testing site.

Section 14.4 Selecting Covered Employees for Random Drug and Alcohol Testing

The City utilizes a computerized system to conduct random drug/alcohol testing. Using this method, the City loads a random number-generating program into a computer along with the names or identification numbers of the covered employees. The computer then generates a list of employees to be tested during the testing period.

The selection process is repeated until the required number of employees is selected. Once the computer generates a list of covered employees to be tested, covered employees should not be

informed that they have been selected for random testing until they are notified to report for testing. **Advance notice of random testing shall not be given to any covered employee.**

To assure that the process is in fact random, all covered employees, regardless of whether they have been chosen for testing in the past, will remain in the pool of employees for each subsequent period. This procedure assures that the probability of any individual being selected each period is always the same during each selection period, regardless of whether the individual was selected in a previous period. While it may be statistically improbable, a single individual could theoretically be selected for testing on two (2), three (3) or even four (4) occasions within a calendar year. It also is important to remember that the testing occasions will be evenly distributed throughout each calendar year.

This requirement is expected to serve as a deterrent for those employees who, believing that they are exempt from further testing following a recent negative test, might consider using alcohol, illegal drugs or other controlled substances. If an employee is off work due to temporary lay-off, illness, injury or vacation, the employee's name will not be removed from the random pool so long as there is a reasonable expectation of the employee's return.

Section 14.5 Post-Accident Drug and Alcohol Testing for Covered Employees

A **covered employee** who is subject to post-accident testing must make him or herself readily available for the test, or he or she will be deemed to have refused the test. For purposes of this Policy, an accident does not include minor accidents where the vehicle does not incur disabling damage.

14.5.1 Post-Accident Alcohol Testing

Following an occurrence involving a City commercial motor vehicle operating on a public road, the City shall require post-accident alcohol testing for each of its surviving City employees who were functioning as drivers:

1. Who were performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or
2. Who receives a citation within eight (8) hours of the occurrence for a moving traffic violation arising from the accident, if the accident involved bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or one or more motor vehicles incurring disabling damage as a result of the accident requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

Post-accident alcohol tests should be administered within two (2) hours following the accident, but in no case later than eight (8) hours. The need for testing is presumed and any determination not to test must be made by the employer/supervisor based on information that alcohol use by the employee could not have contributed to the accident/incident. If alcohol testing is not administered within two hours following the accident, the City shall prepare and maintain on file a record stating the reasons the test was not promptly administered. If alcohol testing is not administered within eight hours following the accident, the City shall cease attempts to

administer an alcohol test and will prepare and maintain on file a record stating the reasons the test was not administered.

14.5.2 Post-Accident Drug Testing

Following an occurrence involving a City commercial motor vehicle operating on a public road, the City shall require post-accident illegal drug/controlled substances testing for each of its surviving City employee drivers:

1. Who were performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or
2. Who receives a citation within thirty-two (32) hours of the occurrence for a moving traffic violation arising from the accident, if the accident involved bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or if one or more motor vehicles incurring disabling damage as a result of the accident requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

If illegal drug or controlled substance testing is not administered within thirty-two (32) hours following an accident, the City will cease attempts to administer a drug or controlled substance test and prepare and maintain on file a record stating the reasons the test was not promptly administered.

Section 14.6 Procedure after a Positive Drug and/or Alcohol Test

If a **covered employee** is not terminated after a positive drug and/or alcohol test, the covered employee:

1. Must be removed from performing any safety-sensitive function;
2. Must submit to an examination by a SAP. Upon a determination by the SAP, the employee may be required to undergo treatment for his or her alcohol or illegal drug abuse. If the employee follows a prescribed course of rehabilitation, he or she may not return to the safety-sensitive position until the SAP determines that he or she has completed the program. The City is not required to pay for this treatment;
3. May not be returned to his or her former safety-sensitive position until the employee has been evaluated by a SAP, complied with any recommended treatment, has been re-evaluated by a SAP, has been allowed to return to work by the SAP, and has submitted to a return-to-duty and follow-up testing for controlled substances and/or alcohol test which indicates an alcohol concentration level of less than 0.01 or a negative result on a controlled substance test;
4. Must submit to unannounced follow-up testing after he or she has been returned to his or her safety-sensitive position; and
5. May perform any duties for the City that are not considered “safety-sensitive functions.” This may include handling of materials exclusively in a warehouse, regardless of whether

the materials are considered hazardous as long as safety-sensitive functions are not performed.

Section 14.7 Return to Duty and Follow-Up Testing

Any employee who has tested positive, refused to submit to testing, or otherwise violated this Policy and who has completed the return-to-duty process with a DOT-qualified Substance Abuse Professional (SAP), shall comply with the following guidelines:

1. Employees who violate this Policy shall have a return-to-duty test that requires the employee to test negative for illegal drugs, alcohol or other controlled substances.
2. A positive test result will indicate the problem has not been resolved, and therefore, requires referral to the SAP for further assessment.
3. If the SAP suspects use of a specific illegal drug, alcohol or other controlled substance, the SAP may recommend some or all substances be included in the return-to-duty testing.

NOTE: The decision to return the employee to his or her job duty functions and to conduct the test ultimately belongs to the City. The SAP's function is to advise the City as to whether the employee has complied with any recommended program of treatment.

4. All employees, including covered employees, identified by the SAP as needing assistance will be subject to follow-up testing upon returning to duty. Such employees will be subject to a minimum of six (6) unannounced tests over the following twelve (12) months. The SAP can recommend additional testing during this period or for an additional period up to a maximum of sixty (60) months or five (5) years from the date the employee returns to duty. The SAP can withdraw the recommendation for the follow-up testing in excess of the minimum at any time, if the SAP determines that the testing is no longer necessary and this determination is supported by the City.
5. Follow-up testing may include tests for other substances beyond the employee's initial positive test for alcohol or illegal drug(s) when the SAP has reason to suspect other illegal drug, alcohol or controlled substance use during the follow-up period.
6. A covered employee who has engaged in prohibited conduct must submit to a return-to-duty test before returning to his or her position. The test result must indicate an alcohol concentration of less than 0.01 or a verified negative result on a drug or controlled substance test. The City requires that a return-to-duty testing be directly observed, and that it receives a negative test result before the employee may resume safety-sensitive duties.

Section 14.8 Substance Abuse Professionals

The City offers the assistance of a SAP to employees requesting assistance or identified as having problems with illegal drugs and/or alcohol under acceptable circumstances. If necessary, the SAP will refer the employee for counseling, rehabilitation or employee assistance programs such as those available through the City's Employee Assistance Program (EAP) or Group Health Programs.

ARTICLE 15 - REQUIRED TRAINING FOR DOT SUPERVISORS

All persons designated to supervise drivers are required to take 60 minutes of training on the symptoms of alcohol abuse and another 60 minutes of training on the symptoms of controlled substances use (120 minutes in total). This training is aimed to teach supervisors to identify circumstances and indicators that may create reasonable suspicion that a driver is using or under the influence of alcohol or illegal drugs, that supports referral of an employee for testing.

ARTICLE 16 - CONFIDENTIALITY

No employee or applicant will be labeled an “illegal drug user,” and there will be no disclosure of such information to a third party who does not have a need to know about results, corrective action, or treatment involving an employee.

Any information about an employee’s use of prescription or non-prescription medication, the results of any pre-employment or reasonable suspicion drug or alcohol testing, or an employee’s past or present participation in rehabilitation or treatment for substance abuse, will be considered confidential personnel information. The information received in enforcing this Policy shall be disclosed only as necessary for disciplinary actions and appeals, interactive process meetings and reasonable accommodation efforts, or resolving legal issues. Any reports or test results generated pursuant to this Policy shall be stored in a confidential file, accessible only to those authorized to receive the information, and separate and distinct from the employee’s personnel file.

ARTICLE 17 - IMPLEMENTATION

To provide a safe, alcohol and illegal drug-free working environment, the City will:

1. Assign to the City Manager the overall responsibility for the implementation of this Policy. The City Manager may designate a coordinator who shall be immediately responsible for the implementation of all aspects of this Policy. The coordinator for this program shall be either an employee with management status or an individual with suitable professional expertise who is contracted to perform this service.
2. The coordinator shall be responsible for the following:
 - a. Disseminating this Policy to all current and new employees;
 - b. Coordinating educational materials and supervisory drug training programs. Training programs may be provided by an Employee Assistance Program (EAP) provider or other person or organization with suitable expertise in this field.
 - c. Providing oversight and evaluation of any EAP provider. The coordinator shall act as liaison between the EAP providers and the City. The coordinator shall review all reports of EAP activities and, as necessary, make any recommended changes;

- d. Reporting as necessary to the City Manager actions taken to implement the training program and identify options for making the program more effective;
 - e. Ensuring that the appropriate federal agency is informed of any criminal drug statute convictions of City employees for violations occurring in the workplace.
3. Contract with an independent drug program administrator to provide the Substance Abuse Professionals (SAP) random selection and drug testing as well as pre-employment and other drug testing services.
 4. Assist in the resolution of employees' confirmed illegal drug and alcohol problems by encouraging employees to seek help through the City's EAP, health benefit plans, counseling services, SAP or other available resources.
 5. Cooperate with law enforcement agencies to the extent permissible by law.

ARTICLE 18 - EMPLOYEE RESPONSIBILITY

The City believes that each employee has the responsibility to:

1. Report to work at all times free of alcohol or other illegal drugs and their influence/effects.
2. Not possess or use illegal drugs, alcohol or controlled substances during working hours, while on-call and subject to duty, on breaks, or at any time while on City property, operating a City vehicle or equipment, or in City uniform.
3. Notify his or her immediate supervisor when taking any medications or drugs, prescription or non-prescription, which may interfere with safe and effective job performance.
4. Notify his or her immediate supervisor within five (5) days of any conviction for violating a criminal drug statute while in the workplace.
5. Participate in and support City sponsored illegal drug and alcohol education programs.
6. Seek and accept assistance for alcohol and other illegal drug abuse related problems before job performance is affected.
7. Support City efforts to eliminate alcohol and other illegal drug abuse among employees where it exists.



City of National City

PROCEDURE FOR SUPERVISORS OF EMPLOYEES IN COVERED EMPLOYEE POSITIONS TO FOLLOW WHEN IT IS BELIEVED THAT THEY MAY BE UNDER THE INFLUENCE OF ILLEGAL DRUGS AND/OR ALCOHOL

There may be instances when a supervisor has reasonable cause to believe that:

- An employee has consumed or ingested illegal drugs, alcohol or controlled substances on City premises;
- An employee reported to work under the influence of illegal drugs, alcohol or controlled substances; or
- An employee's off-duty abuse of illegal drugs, alcohol or controlled substances has resulted in work-related problems.

Under these circumstances, the supervisor must request a drug/alcohol test even though the employee is not believed to be impaired. The drug/alcohol test is not intended to prove impairment, but to confirm the presence of the drug and/or alcohol. Regardless of whether impairment is suspected, if the supervisor has reason to consider requiring a drug/alcohol test, use the following process to validate the reasons for considering a drug/alcohol test:

1. The supervisor should personally escort the employee to an office or other private area and have another supervisor present as a witness, if possible.
2. The supervisor should confront the employee with reasons for suspecting illegal drug and/or alcohol policy violations. Use the reasonable suspicion checklist to question and to document information from the employee. Complete the form and in conversation with the employee, determine whether the employee has consumed or ingested illegal drugs and/or alcohol on City premises or during work duty and is under the influence of illegal drugs, alcohol or controlled substances, or whether the employee's off-duty abuse of illegal drugs, alcohol or controlled substances has resulted in work-related problems.
3. If the employee does not appear to be under the influence of illegal drugs, including prescription drugs, and has not consumed illegal drugs during work duty or on City premises, or the employee has not engaged in off-duty consumption or abuse of illegal drugs, alcohol or controlled substances which resulted in work-related problems, and the

employee is able to perform regular work duties, have him or her return to the work unit and resume work.

4. If the supervisor believes the employee is under the influence of, or has consumed illegal drugs, alcohol or controlled substances on City premises or during work duty, or that the employee's off-duty consumption or abuse of illegal drugs, alcohol or controlled substances has resulted in work-related problems, advise the employee that City Policy has been violated and that he or she is being directed to provide a blood, urine, breath or other sample for illegal drug, alcohol or controlled substance testing. Personally escort the employee (with another supervisor when possible) to the approved drug/alcohol testing site.
5. Require the employee to read and sign a consent form, available at the testing location, agreeing to the test. Advise the employee that refusal to sign the form or give a specimen will be treated as a refusal to obey a direct order, and will constitute an admission that the suspicion is reasonable and may be grounds for termination. Once the specimen is taken and initialed by the employee, suspend him or her with pay, pending results and a review of the circumstances.
6. If it is believed that the employee is impaired, make arrangements to have the employee taken home. Do not permit the employee to leave the premises or drive alone. If the employee refuses any assistance, make sure a witness can verify that the employee refused such assistance. If the supervisor cannot control the employee's actions and the employee departs without assistance, immediately call the police department to inform them of the employee's condition and refusal for assistance. Tell the law enforcement officials the employee's name and a description of the automobile including the license number.
7. A thorough review of documentation, test results, and circumstances will be made before making a decision regarding the employee. A final decision will be made and communicated to the employee within a reasonable period unless there are extenuating circumstances.
8. If the test results are negative and the employee is returned to work with no corrective action, the suspended time is paid and the employee's record is cleared.
9. In all cases where the involvement of illegal drugs, alcohol or controlled substances is confirmed or suspected, recommend the employee seek support from an illegal drug/alcohol abuse program.

NOTE: Covered employees involved with or contributing to an accident or other incident involving actual or potentially serious injury where illegal drugs/alcohol cannot be discounted are required to submit to a post-accident drug/alcohol test. Consequently, steps #1 through #3 of the above procedures do not apply.

**ILLEGAL DRUG AND ALCOHOL
REASONABLE SUSPICION EVALUATION FORM**

Employee Name: _____ Job Title: _____
Observation Date: _____ Time: _____ a.m./p.m. to _____ a.m./p.m.
Location of Employee: _____
Location of Supervisor(s): _____
Others Present During Activities or Observations: _____
Incident(s) Observed Which Gave Cause for Reasonable Suspicion: _____

The City may require a blood test, urinalysis, or other illegal drug and/or alcohol testing of any employee a trained Supervisor reasonably suspects is under the influence of an illegal drug and/or alcohol at work. Reasonable suspicion exists if, based on two or more of the objective factors listed below, a trained Supervisor would believe that the employee is under the influence of an illegal drug and/or alcohol at work.

CAUSE FOR SUSPICION

1. Presence of alcohol, alcohol containers, illegal drugs or illegal drug paraphernalia (specify): _____

2. **Appearance:**

_____ Normal	_____ Flushed	_____ Puncture Marks
_____ Disheveled	_____ Bloodshot/Glassy eyes	_____ Unusual Skin Sores
_____ Dilated/Constricted Pupils	_____ Profuse Sweating	_____ Smell of Alcohol
_____ Dry-mouth Symptoms	_____ Runny Nose/Sores	_____ Smell of Cannabis
_____ Tremors	_____ Inappropriate Wearing of Sunglasses	

Other: _____

3. **Behavior/Speech**

_____ Normal	_____ Incoherent	_____ Slurred
_____ Silent	_____ Confused	_____ Slowed
_____ Whispering	_____ Angry/Hostile	_____ Happy
_____ Agitated	_____ Sleeping on the Job	_____ Unconscious

Other: _____

4. **Awareness:**

_____ Normal	_____ Mood Swings	_____ Euphoria
_____ Confused	_____ Paranoid	_____ Disoriented
_____ Lethargic	_____ Lack of Coordination	

Other: _____

5. **Motor Skills/Balance:**

<input type="checkbox"/> Normal	<input type="checkbox"/> Swaying	<input type="checkbox"/> Falling
<input type="checkbox"/> Staggering	<input type="checkbox"/> Unsteady	<input type="checkbox"/> Arms Raised for Balance
<input type="checkbox"/> Stumbling	<input type="checkbox"/> Reaching for Support	

Other: _____

6. **Walking & Turning:**

<input type="checkbox"/> Normal	<input type="checkbox"/> Arms Raised for Balance
<input type="checkbox"/> Stumbling	<input type="checkbox"/> Reaching for Support

Other: _____

7. **Work Performance:**

<input type="checkbox"/> Unusual Recent Absenteeism	<input type="checkbox"/> Frequent Accidents, Mistakes or Tardiness
<input type="checkbox"/> Frequent Complaints of Illness Negatively Affecting Work Performance	<input type="checkbox"/> Frequently Misses Deadlines or Takes More Time to Complete Job than Necessary
<input type="checkbox"/> Increased High/Low Periods of Productivity	<input type="checkbox"/> Takes Needless Risks
<input type="checkbox"/> Frequent Lapses in Concentration or Judgment	<input type="checkbox"/> Disregard for Safety of Others
<input type="checkbox"/> Repeated Difficulty in Recalling Instructions	<input type="checkbox"/> Frequent Complaints from Co-workers
<input type="checkbox"/> Constant Complaining	<input type="checkbox"/> Frequently Borrowing Money from Co-Workers
<input type="checkbox"/> Bringing Domestic or Personal Problems to Work	

Other: _____

8. **Other Observed Actions or Behavior (specify):** _____

Witnessed by:

_____	_____	_____	_____ a.m./p.m.
Signature	Title	Date	Time

_____	_____	_____	_____ a.m./p.m.
Signature	Title	Date	Time

This document must be prepared and signed by the witnesses within 24 hours of the observed behavior or before the results of the tests are released, whichever is earlier.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City deleting the City of National City Policy Concerning Sexual and Other Forms of Harassment and adopting Council Policy 604 Discrimination and Harassment. (Human Resources)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO. |

ITEM TITLE:

Resolution of the City Council of the City of National City deleting the City of National City Policy Concerning Sexual and Other Forms of Harassment and adopting Council Policy 604 – Discrimination and Harassment.

PREPARED BY: Irene Mosley

PHONE: 336-4308

DEPARTMENT: Human Resources

APPROVED BY:

EXPLANATION:

The Human Resources Department engaged the services of an attorney subject matter expert in the area of labor relations to assist in reviewing and updating the City's various labor relations policies and procedures for the purpose of ensuring that all such documents are in compliance with current Federal, State and local laws. The proposed deletion of the Policy Concerning Sexual and Other Forms of Harassment and the adoption of the Discrimination and Harassment Policy are an outcome of said review.

The current policy was adopted by City Council Resolution on April 12, 1988. The City's formally recognized collective bargaining groups were notified of the proposed revisions. The revisions were met and conferred upon as requested by the collective bargaining groups.

FINANCIAL STATEMENT:

ACCOUNT NO.

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

There is no fiscal impact associated with this item.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, is not subject to environmental review.

ORDINANCE: **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Adopt the resolution approving revisions to the City of National City Discrimination and Harassment Policy.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Policy Concerning Sexual and Other Forms of Harassment – Current Policy
2. Discrimination and Harassment Council Policy 603 – Draft

CITY OF NATIONAL CITY
POLICY CONCERNING SEXUAL
AND OTHER FORMS OF HARASSMENT

I. INTENT

City supervisors and other staff members are expected to treat members of the public and their fellow employees, with respect and dignity. Sexual harassment or harassment related to a person's race, color, religion, national origin, age, or physical handicap by a City employee will not be tolerated under any circumstances and can lead to disciplinary action including termination.

II. DEFINITION

Harassment is considered to be anything that has the purpose or effect of creating an intimidating, hostile or offensive environment. This may include discriminatory actions as well as discriminatory language. Sexual harassment has more specific definitions that have been developed by the Federal Government. Sexual harassment is defined as subjective to unwelcomed sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature when one or more of the following circumstances are present:

- a. Submission to, or toleration of, the conduct is either an obvious or implied term or condition of employment or fair treatment.
- b. Submission to or rejection of such conduct is indicated as a basis for an official decision affecting the individual.
- c. The conduct has the purpose or effect of interfering with an employee's work performance or creating intimidating, hostile, offensive or otherwise more difficult working conditions.
- d. The conduct has the purpose or effect of interfering with a member of the public receiving consistent or fair treatment or services by a City department.

III. IMPLEMENTATION

It is the responsibility of the City Manager to issue procedures to implement this policy. Procedures shall describe program responsibilities, methods or dissemination, training objectives how employees can request assistance if they feel that they have been victims of harassment, and how to handle and record complaints. Input on the development and revision of procedures shall be sought from employees through their designated representatives, the Civil Service Commission and such other sources as deemed appropriate by the City Manager

Approved by the City Council of the City of National City
April 12, 1988
Resolution No: 15,588

CITY COUNCIL POLICY

CITY OF NATIONAL CITY

TITLE: Discrimination and Harassment

POLICY #603

ADOPTED:

AMENDED:

I. POLICY STATEMENT

It is the policy of the City of National City that all employees, applicants, volunteers, and independent contractors (collectively referred to as “workers”) have a right to work in an environment free of discrimination, which encompasses freedom from harassment based on such factors as sex, sexual orientation, gender or gender identity, marital status, pregnancy (including childbirth or related conditions), race, color, religion, national origin or ancestry, age, physical or mental disability, medical condition, genetic condition, family care or medical leave status, military or veteran status, or any other characteristic protected by law. These characteristics shall be referred to as “protected classifications.” City workers are expected to treat members of the public and their fellow workers with respect and dignity. The City strongly disapproves of discrimination and harassment in any form and will not tolerate this behavior under any circumstance. Any employee, supervisor, manager, elected official or third party is prohibited from engaging in such conduct, and doing so may result in disciplinary action up to and including dismissal.

In addition, retaliation against a worker for reporting violations of this Policy in good faith, or for participating in the investigation of a harassment or discrimination complaint, is strictly prohibited and may result in disciplinary action up to and including dismissal.

Workers who have complaints of discrimination, harassment, or retaliation against anyone at work, including supervisors, co-workers, visitors, or vendors are urged to report such conduct to designated City officials so that the City may investigate and resolve the problem. The City will investigate all complaints in conformance with procedures outlined in this Policy. Where investigators confirm the allegations, appropriate corrective action will be taken.

The City will maintain the confidentiality of information provided in the complaint and investigation process, except to the extent disclosure is required by law, as part of the investigatory or disciplinary process, or as otherwise reasonably necessary.

II. DEFINITIONS

Discrimination means unequal or abridged treatment of a person’s right or opportunity to seek, obtain, hold, and prosper in an employment relationship with the City on the basis of any of the protected classifications.

Harassment includes conduct based on a protected classification that has the purpose or effect of unreasonably interfering with an individual’s work performance; creating

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an intimidating, hostile, threatening or offensive working environment; or adversely affecting the worker's performance, evaluation, assigned duties or any other condition of employment or career development.

Sexual harassment means unwelcome sexual advances; requests for sexual favors, and other verbal or physical conduct of a sexual nature which occurs under any of the following circumstances:

- Submission to such conduct is made either expressly or by implication a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting the individual; or
- Verbal or physical conduct of a sexual nature that has the purpose or effect of substantially interfering with the employee's ability to do their job or creating an intimidating, hostile, or offensive working environment.

Other examples of sexual harassment include unwelcome sexual flirtations or propositions; verbal abuse of a sexual nature; graphic verbal comments about an individual's body; sexually degrading words used to describe an individual; and the display or use in the work environment of sexually suggestive objects or pictures, posters, jokes, cartoons, or calendar illustrations.

Prohibited sexual harassment need not be motivated by sexual desire.

III. PROCEDURES

A. Worker's Responsibility

It is important that workers inform the City as soon as soon as possible about any prohibited discrimination, harassment, or retaliation because nothing can be done to remedy the situation if the City does not know that it exists.

Any worker who feels comfortable doing so should also let a co-worker know when that co-worker's behavior or comments are offensive or unwelcome, even if the situation does not rise to the level of a violation of this Policy. However, individuals are not required to handle these situations on their own and individuals should report such issues to the appropriate person as listed below.

Any individual who believes that they have been or are being discriminated against, harassed, or retaliated against in violation of this Policy shall immediately report this violation to his or her supervisor, their department head, the Director of Administrative Services, the City Manager, or any other department head or supervisor with whom the individual feels comfortable speaking.

Any individual who is aware or suspects that another individual has been discriminated against, harassed, or retaliated against in violation of this Policy shall

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immediately report this violation to his or her supervisor, their department head, the Director of Administrative Services, the City Manager, or any other department head or supervisor with whom the individual feels comfortable speaking. Workers may also file a complaint of discrimination, harassment, or retaliation with the California Department of Fair Employment and Housing or U.S. Equal Employment Opportunities Commission. Utilization of the grievance procedure is not a prerequisite to the pursuit of such other remedies.

Employee's reporting possible violations of this Policy will be requested to fill out a Harassment Complaint Form.

Each worker is also responsible for his or her own behavior in observing the City's Discrimination and Harassment Policy.

B. Supervisor Responsibility/City Responsibility

It is the responsibility of each department head and supervisor to maintain a work environment free of harassment, discrimination, and retaliation. This includes being available to discuss this Policy with the workers they supervise and to assure the workers that they are not required to endure any form of prohibited harassment, discrimination, or retaliation. If someone reports allegations of potential violations of this Policy to a supervisor, it is the responsibility of the supervisor to take immediate action by documenting the incident(s) through the use of the Harassment Complaint Form and reporting the allegations to the Director of Administrative Services.

Any supervisor who fails to take appropriate action to report or address discrimination, harassment, or retaliation issues may be subject to disciplinary action up to and including termination and also may be found personally liable under Federal and State law.

The Director of Administrative Services is responsible for the direction and coordination of the City's efforts regarding this Policy. Also, the Director of Administrative Services shall be available for advising employees, managers, and supervisors concerning individual issues and this Policy in general. This Policy shall be disseminated to all City workers.

C. Investigation

The City will document and investigate all complaints of harassment in a prompt, objective, and thorough manner, including interviews of those with relevant knowledge. The investigation will be designed to maintain, to the extent possible, the privacy and confidentiality of all parties and witnesses involved. Complete confidentiality cannot occur, however, due to the need to investigate fully and to take effective remedial action. The Director of Administrative Services or the appropriate department head or supervisor will be responsible for directing an investigation into such allegations and for implementing appropriate remedial action, where warranted. The extent of the investigation and the designation of the investigator will depend on

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the circumstances of the complaint. In certain circumstances, the City may also designate an outside investigator to conduct the investigation. The City will not disclose a completed investigation report except as it deems necessary to support disciplinary action, to take remedial action, to defend itself in adversarial proceedings, or as otherwise required by law.

D. Resolution

After investigation, the City will communicate the confidential findings (i.e., sustained or not sustained) to the complainant, the alleged harasser, and members of management with a legitimate need to know.

If there is a finding that discrimination, harassment, or retaliation in violation of this Policy or applicable laws has occurred, the City will take appropriate and immediate action to end any discrimination, harassment, or retaliation and prevent its recurrence. Any employee found to have violated this Policy will be disciplined up to and including termination. Specific action taken will depend upon the specific circumstances.

Knowingly, falsely accusing someone of violating this Policy or otherwise knowingly giving false or misleading information in an investigation regarding this Policy shall be grounds for disciplinary action, up to and including, termination of employment.

IV. HARASSMENT INVOLVING THE PUBLIC

The City strictly prohibits harassment or retaliation of any member of the public by any City worker.

In addition, if a worker feels that he or she is being subjected to harassment, as defined above, by a member of the public, the worker should report such harassment to his or her supervisor (or other person listed above) for investigation and appropriate action.

V. TRAINING PROGRAMS

Training programs to implement this Policy shall be developed and presented. It shall be mandatory that each management and supervisory employee attend one of these programs at least once every two years as required by State law. In addition, the City shall take measures periodically to ensure that all workers are made aware of the implications of this Policy. The emphasis in these programs shall include:

- the commitment of the City to eradicate sexual and other described forms of harassment;
- effective methods of deterring the incidence of such harassment;
- awareness of the importance and seriousness of this problem;

CITY COUNCIL POLICY

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- the specific procedures of responding to complaints of harassment;
- discussion of abusive conduct/bullying.

DRAFT

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CITY OF NATIONAL CITY HUMAN RESOURCES DEPARTMENT

HARASSMENT COMPLAINT FORM

THIS FORM MAY BE USED BY ANY EMPLOYEE OR CITIZEN TO FILE A COMPLAINT OF SEXUAL OR OTHER HARASSMENT, AND SHALL BE KEPT AS CONFIDENTIAL AS POSSIBLE BY THE CITY OFFICIAL WHO RECEIVES IT, IF THE EMPLOYEE WISHES TO MAKE THE COMPLAINT VERBALLY, HE/SHE MAY DO SO, AND THE CITY OFFICIAL WHO RECEIVES THE COMPLAINT SHALL COMPLETE THIS FORM FOR THE RECORD. THE EMPLOYEE MAY OPT NOT TO MAKE THE COMPLAINT WITH THE DEPARTMENT AND CHOOSE TO MAKE THE COMPLAINT DIRECTLY WITH THE DIRECTOR OF HUMAN RESOURCES. AN EMPLOYEE WHO IS CONSIDERING A COMPLAINT OF THIS NATURE SHOULD REFER TO COUNCIL POLICY RESOLUTION 15,588 AND TO THE APPROVED PROCEDURES FROM THE CITY MANAGER.

Date of Complaint: _____
Name of Person Filing Complaint: _____
Department: _____ Job Title: _____
(If not a City employee, home address and telephone number)

Description of incident(s): Include dates, times, places and circumstances of incidents. (Attach additional sheets if necessary)

Name or description of alleged offender(s): include department and job title or address/telephone number if applicable.

Name and title of complainant's or alleged offender's supervisor (if applicable):

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Name and telephone numbers of any witnesses or persons having first hand information about this situation.

1. _____
2. _____
3. _____

Nature of relief sought: _____

Signature of complainant: _____ Date: _____

Name & Title of City of National City _____ Date _____
Official receiving complaint: _____ Received: _____

Did complainant discuss this situation with alleged offender? (when & where?):

Did complainant discuss this situation with alleged offender's or their immediate supervisor?
(when and where and action taken by supervisor?): _____

Was an in-depth investigation conducted? (give details): _____

Action to be taken (give details): _____

Has this complaint been reviewed by the City Attorney? ☐ Yes ☐ No
Does this action satisfy the complainant? ☐ Yes ☐ No

If "yes", signature of complainant: _____
(If not, refer the complaint to the Director of Human Resources for resolution)

Signature of receiving City official _____ Date: _____

Forward this form to the Director of Human Resources upon completion at the departmental level.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City approving revisions to the City of National City Workplace Violence and Security Policy and adopting said policy as Council Policy 605. (Human Resources)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO. 11

ITEM TITLE:

Resolution of the City Council of the City of National City approving revisions to the City of National City Workplace Violence and Security Policy and adopting said policy as Council Policy 605.

PREPARED BY: Irene Mosley

PHONE: 336-4308

DEPARTMENT: Human Resources

APPROVED BY:

EXPLANATION:

The Human Resources Department engaged the services of an attorney subject matter expert in the area of labor relations to assist in reviewing and updating the City's various labor relations policies and procedures for the purpose of ensuring that all such documents are in compliance with current Federal, State and local laws. The proposed revisions to the Workplace Violence and Security Policy are an outcome of said review.

The current policy was adopted by City Council Resolution on February 4, 1997. The City's formally recognized collective bargaining groups were notified of the proposed revisions. The revisions were met and conferred upon as requested by the collective bargaining groups.

FINANCIAL STATEMENT:

ACCOUNT NO.

There is no fiscal impact associated with this item.

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, is not subject to environmental review.

ORDINANCE: **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Adopt the resolution approving revisions to the City of National City Workplace Violence and Security Policy.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Workplace Violence and Security Policy – Original
2. Workplace Violence and Security Policy – Strike Out (Edited) Version
3. Workplace Violence and Security Policy – Revised



City of National City

WORKPLACE VIOLENCE AND SECURITY POLICY

I. POLICY STATEMENT

It is the policy of the City of National City that every employee is entitled to work in a safe environment. To this end, violence or the threat of violence in the workplace will not be tolerated in any form. It is inappropriate to use violence or threats of violence in an attempt to intimidate, prevent work from being completed or in any way interfere with the maintenance of a safe work place. To this end, the City Council adopts the following policy.

Employees are expected to conduct themselves in accordance with the Personnel Rules and Regulations of the City. The City recognizes that individuals may experience difficulties related to their work, their relationships with co-workers, supervisors, superintendents, managers or members of the public. The City offers an Employee Assistance Program (EAP) for all City employees to receive support in handling any personal difficulties that may arise. When such difficulties are known, departments should inform affected employee(s) of the services provided by the EAP.

1. No employee of the City shall threaten or commit an act of violence toward another employee, the public or property of the City. The City has a “zero-tolerance” policy for any act or threat of violence in the workplace.
2. All acts or threats of violence will be reported immediately to a supervisor, superintendent, Department Head, the Risk Manager and/or Personnel Director.
3. All reported acts or threats of violence will be investigated by the department in which the act occurred or, if more than one department is involved, by Personnel.
4. No employee shall bring to the worksite, on their person, or in their belongings or vehicle any non-job related weapon or dangerous material of any type; for example, firearms, knives, or firecrackers.
5. Individuals who commit acts or threats of violence are subject to disciplinary action up to and including termination. Even in the absence of prior progressive disciplinary action, violating this workplace safety program may be caused for dismissal from employment.

6. All employees are responsible for using safe work practices, for following written procedures and policies, and for assisting in maintaining a safe and secure work environment.

Definitions

1. **Workplace Violence:** An intense and extreme behavior used to frighten, intimidate, injure, damage, or destroy another person or property at the place of work. It is usually an expression of anger, and can take the following forms:
 - a. gestures
 - b. innuendo
 - c. intimidation
 - d. physical force
 - e. retaliation
 - f. rough action
 - g. self-prediction of loss of control
 - h. stalking
 - i. fostering strong negative feeling or emotion
 - j. threats
 - k. violation of another's rights, property or sensibilities
2. **Threat:** A direct or implied expression of intent to inflict physical harm and/or actions that a reasonable person would perceive as a threat to physical safety or property. The following are some examples of behaviors that may be considered threats. Additionally, because intent may not always be disconcerted by co-workers, jokes about physical acts of violence will not be tolerated.
 - verbal threats are voiced descriptions of what the violent person plans to do, or bizarre statements or actions threatening physical harm often stemming from a perceived work injustice; or
 - threatening conduct, such as intimidating others, is showing-off or actually brandishing a weapon or potentially dangerous device, or the obsessions, such as apparently nursing a grudge against a co-worker or supervisor or from frustrated romantic interests.

All individuals have the right to self-expression. However, the City will not tolerate abuse of this right.

II. ASSIGNMENT OF RESPONSIBILITY

Management

All managers, superintendents and supervisors are responsible for ensuring each employee is aware of the policy and complies with this workplace violence prevention program in their work areas.

The City supports a communication system that promotes and encourages a continuous flow of safety, health and security information between management and employees without fear of reprisal. Within the City it is recognized that in order to maintain a safe, healthy and violence-free workplace, there must be open and two-way communication between all employees, supervisors, superintendents and managers on workplace safety, health and security issues.

Employee

Employees are charged with adhering to this City policy against workplace violence.

III. COMPLIANCE

The procedure for ensuring that all employees, including supervisors, superintendents, and managers, comply with work practices that are designed to make the workplace more secure and free of violence, and do not engage in verbal threats or physical actions which create a security hazard for others in the workplace, includes:

1. Informing employees, supervisors, superintendents and managers of the provisions of the Workplace Violence and Security Policy;
2. Evaluating the performance of all employees for compliance with the Workplace Violence and Security measures;
3. Recognizing employees who perform work practices which promote security in the workplace;
4. Providing training and/or counseling to employees whose performance in complying with work practices designed to ensure workplace security is deficient;
5. Disciplining workers for failure to comply with the Workplace Violence and Security Policy and practices up to and including termination.

IV. TRAINING

Procedures

All employees, including managers, superintendents and supervisors, shall be instructed on general and job-specific workplace security practices by their immediate supervisor.

All new employees and all other employees, for which instruction has not been provided and documented, shall be instructed on this policy, sign an acknowledgement receipt and comply with the policy.

All employees, supervisors, superintendents and managers shall be re-instructed on this policy whenever the City is made aware of a new or previously unrecognized security hazard, violent behavior or other tendencies on the part of the employee that may lead to violence or security problems.

V. INCIDENT INVESTIGATION AND REPORTING

It is the responsibility of the Department Director to report and investigate all threats or acts of violence that occur in their department. The Department Director may designate a manager from within the department to conduct the investigation. The immediate supervisor in the area where the incident occurred should immediately begin an informal investigation into the matter and prepare the written report of the incident to the Department Director.

Reporting

A written report shall be completed immediately an incident of a threat or act of the workplace violence by:

The Employee who the act or threat was committed against and the supervisor/superintendent where the incident took place on a form provided by the Personnel Department.

Investigating

An investigation, in such detail as may be appropriate, shall immediately follow a report of an act of violence. A written summary of the investigation, and a description of the resolution, if any, shall be issued by the investigating officer/Department Head to both the Risk Manager and Personnel Director.

In investigating an act or threat of workplace violence, the investigating officer shall:

1. Review all previous incidents involving violence at the workplace, including threats of violence and verbal abuse;
2. Visit the scene of the incident as soon as possible;
3. Interview the injured and threatened employees and witnesses;
4. Examine the workplace for security risk factors associated with the incident, including any reports of inappropriate behavior by the perpetrator;
5. Determine the cause of the incident;
6. Take corrective action to prevent the incident from recurring; and
7. Record the findings and corrective actions taken, to include any disciplinary action taken or proposed



City of National City
Human Resources Department

OCCUPATIONAL SAFETY OR SECURITY PROGRAM

INCIDENT REPORT

This form must be completed by the employee and the supervisor when an incident of violence, safety or security has occurred.

Employee(s) Name(s): _____
Job Title: _____ Department: _____
Date of Incident: _____ Time: _____ a.m./p.m.
Location of Incident: _____

Person(s) involved and witness(es) to the incident:

Name: _____	Tel. No. _____	Home/Work/Cell _____
Name: _____	Tel. No. _____	Home/Work/Cell _____
Name: _____	Tel. No. _____	Home/Work/Cell _____

Description of the Incident: _____

Employee's Signature: _____ Date: _____

Describe personal and/or property damage resulting from incident and any injury medical treatment required: _____

Preventable? _____ Non-Preventable? _____ Safety Equipment Used? ☐ Yes ☐ No

What actions have been taken with regard to incident? _____

How could similar incidents be prevented? _____

Supervisor's Signature: _____ Date: _____

Department Director's Signature: _____ Date: _____



City of National City

WORKPLACE VIOLENCE AND SECURITY POLICY

I. POLICY STATEMENT

It is the policy of the City of National City that every employee is entitled to work in a safe environment. Therefore, the District has adopted a “zero tolerance” policy regarding workplace violence. Consistent with this Policy, acts or threats of physical violence, including intimidation, harassment, or coercion, which involve or affect the City or which occur on City property will not be tolerated. Acts or threats of violence include conduct which is sufficiently severe, offensive, or intimidating to alter the employment conditions at the City by creating a hostile, abusive, or intimidating work environment for one or several City employees. To this end, violence or the threat of violence in the workplace will not be tolerated in any form. It is inappropriate to use violence or threats of violence in an attempt to intimidate, prevent work from being completed or in any way interfere interfering with the maintenance of a safe work place. To this end, the City Council adopts the following policy.

~~Employees are expected to conduct themselves in accordance with the Personnel Rules and Regulations of the City. The City recognizes that individuals may experience difficulties related to their work, their relationships with co-workers, supervisors, superintendents, managers or members of the public. The City offers an Employee Assistance Program (EAP) for all City employees to receive support in handling any personal difficulties that may arise. When such difficulties are known, departments should inform affected employee(s) of the services provided by the EAP.~~

1. No employee of the City shall threaten or commit an act of violence toward another employee, member of the public, or property of the City. ~~The City has a “zero-tolerance” policy for any act or threat of violence in the workplace.~~
2. All acts or threats of violence will shall be reported immediately to a supervisor, superintendent, Department Head~~Director~~, the Risk Manager and/or ~~Personnel~~ Human Resources Director.
3. All reported acts or threats of violence will be timely investigated by the ~~department~~ City, in which the act occurred or, if more than one department is involved, by Personnel. Appropriate actions will be taken to prevent further violent conduct or threats of violent conduct from occurring or being repeated.

4. Unless pre-authorized or a condition of employment (i.e. sworn Police personnel), ~~No~~no employee shall bring to the worksite or any City property or building, on their person, or in their belongings or vehicle any non-job related weapon or dangerous material of any type; ~~for example, firearms, knives, or firecrackers~~. Job-related weapons or tools that could be deemed a weapon must be authorized by the employee's supervisor.

4-5. This prohibition against workplace violence applies to all persons involved in City operations, including but not limited to City personnel, contract workers, temporary employees, and anyone on City property or conducting City business off City property.

5-6. Individuals who commit acts or threats of violence or otherwise violate the provisions of this policy are subject to disciplinary action up to and including termination. Even in the absence of prior progressive disciplinary action, violating ~~this workplace safety program policy~~ may be cause for dismissal from employment. Other corrective action may include, but is not limited to, referral to law enforcement agencies for illegal or criminal actions and/or the City seeking a workplace violence restraining order on behalf of the affected employee(s).

7. All employees are responsible for using safe work practices, for following written procedures and policies, and for assisting in maintaining a safe and secure work environment.

6-8. The City recognizes that individuals may experience difficulties related to their work, their relationships with co-workers, supervisors, superintendents, managers or members of the public. The City offers an Employee Assistance Program (EAP) for all City employees to receive support in handling any personal difficulties that may arise. When such difficulties are known, departments should inform affected employee(s) of the services provided by the EAP.

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Definitions

1. **Workplace Violence:** An intense and extreme behavior used to frighten, intimidate, injure, or damage, ~~or destroy~~ another person or property at the place of work. It is usually an expression of anger, and can take the following forms:

- | | |
|-------------------|---|
| a. gestures | g. self-prediction of loss of control |
| b. innuendo | h. stalking |
| c. intimidation | i. fostering strong negative feeling or emotion |
| d. physical force | j. threats |
| e. retaliation | k. violation of another's rights, property or sensibilities |
| f. rough action | |

2. **Threat:** A direct or implied expression of intent to inflict physical harm and/or actions that a reasonable person would perceive as a threat to physical safety or property. ~~Additionally, because intent may not always be perceived by co-workers, jokes about physical acts of violence will not be tolerated. The following are some examples of behaviors that may be considered threats. Additionally, because intent may not always be disconcerted by co-workers, jokes about physical acts of violence will not be tolerated.~~

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- ~~verbal threats are voiced descriptions of what the violent person plans to do, or bizarre statements or actions threatening physical harm often stemming from a perceived work injustice; or~~
- ~~threatening conduct, such as intimidating others, is showing off or actually brandishing a weapon or potentially dangerous device, or the obsessions, such as apparently nursing a grudge against a co-worker or supervisor or from frustrated romantic interests.~~

All individuals have the right to self-expression. However, the City will not tolerate abuse of this right.

Examples

Specific examples of conduct that may be considered threats or acts of violence include, but are not limited to, the following:

- a. Striking, punching, slapping, shoving or otherwise physically assaulting another person.
- b. Fighting or challenging another person to a fight, grabbing, pinching or touching another person in an unwanted fashion (whether sexually or otherwise).
- c. Threatening an individual or his or her family, friends, associates, or property with harm in any way, whether verbal, written or physical.
- d. The intentional destruction or threat of destruction of property.
- e. Harassing or threatening phone calls.
- f. Harassing surveillance or stalking.
- g. The suggestion or intimation that violence is appropriate.
- h. Unauthorized possession or inappropriate use of a firearm, knife, explosive or destructive device or other dangerous weapon. This includes individuals that have permits to carry a concealed weapon.
- i. Any intimidating behavior reasonably perceived as a threat, including, but not limited to, yelling, shouting, swearing in anger, throwing things or slamming doors.

II. RESPONSIBILITIES UNDER THIS POLICY ASSIGNMENT OF RESPONSIBILITY

Management

All employees in a supervisory role or position shall maintain his or her workplace free from workplace violence or threats of workplace violence. All managers, superintendents and supervisors are responsible for:

- ensuring Ensuring each employee is aware of the policy and complies with this workplace violence prevention program in their work areas.
- Supervising, evaluating, and documenting employee behavior and performance in conformance with safe work practices.
- Immediately reporting any threats or acts of violence which they have witnessed, received, or have been told that another person has witnessed or received to the Department Head and/or Human Resources, and to the police if the potential for a criminal violation exists.
- Ensuring reception and other appropriate employees are immediately made aware of a potential threat. Taking immediate measures in conjunction with law enforcement and the Human Resources Director to make sure all individuals who pose an immediate threat to the safety of others are removed from the workplace.

The City supports a communication system that promotes and encourages a continuous flow of safety, health and security information between management and employees without fear of reprisal. Within the City it is recognized that in order to maintain a safe, healthy and violence-free workplace, there must be open and two-way communication between all employees, supervisors, superintendents and managers on workplace safety, health and security issues.

Employee

Employees are charged with adhering to this City policy against workplace violence and are responsible for immediately reporting any threats or acts of violence which they have witnessed or received to their supervisor or Department Director. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public as against City employees in the workplace. All suspicious individuals must be reported to a supervisor, Department Director or law enforcement as soon as possible. Employees who witness acts of criminal behavior or the planning of a criminal act that results or could result in workplace violence are responsible for immediately reporting such acts or planned acts to law enforcement and to their supervisor or Department Director.

III. COMPLIANCE

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The procedure for ensuring that all employees, including supervisors, superintendents, and managers, comply with work practices that are designed to make the workplace more secure and free of violence, and do not engage in verbal threats or physical actions which create a security hazard for others in the workplace, includes:

1. Informing employees, supervisors, superintendents and managers of the provisions of the Workplace Violence and Security Policy;
2. Evaluating the performance of all employees for compliance with the Workplace Violence and Security measures;
3. Recognizing employees who perform work practices which promote security in the workplace;
4. Providing training and/or counseling to employees whose performance in complying with work practices designed to ensure workplace security is deficient;
5. Disciplining workers for failure to comply with the Workplace Violence and Security Policy and practices up to and including termination.

IV. TRAINING

Procedures

All employees, including managers, superintendents and supervisors, shall be instructed on general and job-specific workplace security practices by their immediate supervisor.

All new employees and all other employees, for which instruction has not been provided and documented, shall be instructed on this policy, sign an acknowledgement receipt and comply with the policy.

All employees, supervisors, superintendents and managers shall be re-instructed on this policy whenever the City is made aware of a new or previously unrecognized security hazard, violent behavior or other tendencies on the part of the employee that may lead to violence or security problems.

V. INCIDENT INVESTIGATION AND REPORTING

~~It is the responsibility of the Department Director to report and investigate all threats or acts of violence that occur in their department. The Department Director may designate a manager from within the department to conduct the investigation. The immediate supervisor in the area where the incident occurred should immediately begin an informal investigation into the matter and prepare the written report of the incident to the Department Director.~~

Reporting

Any employee who is the victim of any violent or threatening conduct, or who observes such conduct shall report the conduct to his or her immediate supervisor, Department Director, or the Human Resources Director, as well as to law enforcement, if appropriate under the circumstances. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public as against City employees in the workplace. All suspicious individuals or activities must also be reported as soon as possible.

A written report shall be completed immediately-Immediately after an the incident of a threat of or act of the workplace violence by, a written report on a form provided by the Human Resources Department shall be completed by:

The Employee who the act or threat was committed against and the supervisor/superintendent where the incident took place, ~~on a form provided by the Personnel Department.~~

If an employee has been threatened by someone outside the work place and has reason to believe there is a risk of violence in the workplace, the employee should notify their supervisor immediately so the City can evaluate whether or not seeking a workplace restraining order is appropriate. Employees who have obtained a civil restraining order against another person for violence occurring outside the workplace should notify their supervisor.

Investigating

It is the responsibility of the Department Director to report and investigate all threats or acts of violence that occur in their department. The Department Director shall consult with the Risk Manager or Human Resources Director before initiating an investigation into a violent or potentially violent incident. An investigation, in such detail as may be appropriate, shall be initiated immediately following a report of an act or threat of violence and shall be concluded as soon as possible. -The Department Director in coordination with the Human Resources Director may designate another manager, as appropriate, to conduct the investigation. The investigator shall coordinate with Human Resources and law enforcement as necessary. A written summary of the investigation, and a description of the resolution, if any, shall be issued by the investigating officer/Department Head-Director to both the Risk Manager and Personnel-Human Resources Director.

In investigating an act or threat of workplace violence, the investigating officer shall:

1. Review all previous incidents involving violence at the workplace, including threats of violence and verbal abuse;
2. Visit the scene of the incident as soon as possible;
3. Interview the injured and threatened employees and witnesses;
4. Examine the workplace for security risk factors associated with the incident, including any reports of inappropriate behavior by the perpetrator;
5. Determine the cause of the incident;

~~6. Take corrective action to prevent the incident from recurring; and~~

~~7. Record the findings and corrective actions taken, to include any disciplinary action taken or proposed~~

EDITED



City of National City
Human Resources Department

OCCUPATIONAL SAFETY OR SECURITY PROGRAM

INCIDENT REPORT

This form must be completed by the employee and the supervisor when an incident of violence, safety or security has occurred.

Employee(s) Name(s): _____
Job Title: _____ Department: _____
Date of Incident: _____ Time: _____ a.m./p.m.
Location of Incident: _____

Person(s) involved and witness(es) to the incident:

Name: _____ Tel. No. _____ Home/Work/Cell _____
Name: _____ Tel. No. _____ Home/Work/Cell _____
Name: _____ Tel. No. _____ Home/Work/Cell _____

Description of the Incident: _____

Employee's Signature: _____ Date: _____

Describe personal and/or property damage resulting from incident and any injury medical treatment required: _____

Preventable? _____ Non-Preventable? _____ Safety Equipment Used? ☐ Yes ☐ No

What actions have been taken with regard to incident? _____

How could similar incidents be prevented? _____

Supervisor's Signature: _____ Date: _____

Department Director's Signature: _____ Date: _____

CITY COUNCIL POLICY

CITY OF NATIONAL CITY

TITLE: Workplace Violence and Security Policy

POLICY #604

ADOPTED:

AMENDED:

I. POLICY STATEMENT

It is the policy of the City of National City (“City”) that every employee is entitled to work in a safe environment. Therefore, the City has adopted a “zero tolerance” policy regarding workplace violence. Consistent with this Policy, acts or threats of physical violence, including intimidation, harassment, or coercion, which involve or affect the City or which occur on City property will not be tolerated. Acts or threats of violence include conduct which is sufficiently severe, offensive, or intimidating to alter the employment conditions at the City by creating a hostile, abusive, or intimidating work environment for one or several City employees, or in any way interfering with the maintenance of a safe work place. To this end, the City Council adopts the following policy.

1. No employee of the City shall threaten or commit an act of violence toward another employee, member of the public, or property of the City.
2. All acts or threats of violence shall be reported immediately to a supervisor, superintendent, Department Director, the Risk Manager and/or Human Resources Director.
3. All reported acts or threats of violence will be timely investigated by the City. Appropriate actions will be taken to prevent further violent conduct or threats of violent conduct from occurring or being repeated.
4. Unless pre-authorized or a condition of employment (i.e. sworn Police personnel), no employee shall bring to the worksite or any City property or building, on their person, or in their belongings or vehicle any non-job related weapon or dangerous material of any type. Job-related weapons or tools that could be deemed a weapon must be authorized by the employee’s supervisor.
5. This prohibition against workplace violence applies to all persons involved in City operations, including but not limited to City personnel, contract workers, temporary employees, and anyone on City property or conducting City business off City property.

CITY COUNCIL POLICY

CITY OF NATIONAL CITY

6. Individuals who commit acts or threats of violence or otherwise violate the provisions of this policy are subject to disciplinary action up to and including termination. Even in the absence of prior progressive disciplinary action, violating policy may be cause for dismissal from employment. Other corrective action may include, but is not limited to, referral to law enforcement agencies for illegal or criminal actions and/or the City seeking a workplace violence restraining order on behalf of the affected employee(s).
7. All employees are responsible for using safe work practices, for following written procedures and policies, and for assisting in maintaining a safe and secure work environment.
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2. **Threat:** A direct or implied expression of intent to inflict physical harm and/or actions that a reasonable person would perceive as a threat to physical safety or property. Additionally, because intent may not always be perceived by co-workers, jokes about physical acts of violence will not be tolerated.

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CITY COUNCIL POLICY

CITY OF NATIONAL CITY

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- f. Harassing surveillance or stalking.
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Management

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CITY COUNCIL POLICY

CITY OF NATIONAL CITY

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4. Providing training and/or counseling to employees whose performance in complying with work practices designed to ensure workplace security is deficient;

CITY COUNCIL POLICY

CITY OF NATIONAL CITY

5. Disciplining workers for failure to comply with the Workplace Violence and Security Policy and practices up to and including termination.

IV. TRAINING

Procedures

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Reporting

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Immediately after the threat of or act of workplace violence by, a written report on a form provided by the Human Resources Department shall be completed by:

The Employee who the act or threat was committed against and the supervisor/superintendent where the incident took place.

If an employee has been threatened by someone outside the work place and has reason to believe there is a risk of violence in the workplace, the employee should notify their supervisor immediately so the City can evaluate whether or not seeking a workplace restraining order is appropriate. Employees who have obtained a civil restraining order against another person for violence occurring outside the workplace should notify their supervisor.

CITY COUNCIL POLICY

CITY OF NATIONAL CITY

Investigating

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CITY COUNCIL POLICY

CITY OF NATIONAL CITY



City of National City
Human Resources Department

OCCUPATIONAL SAFETY OR SECURITY PROGRAM

INCIDENT REPORT

This form must be completed by the employee and the supervisor when an incident of violence, safety or security has occurred.

Employee(s) Name(s): _____
Job Title: _____ Department: _____
Date of Incident: _____ Time: _____ a.m./p.m.
Location of Incident: _____

Person(s) involved and witness(es) to the incident:

Name: _____	Tel. No. _____	Home/Work/Cell _____
Name: _____	Tel. No. _____	Home/Work/Cell _____
Name: _____	Tel. No. _____	Home/Work/Cell _____

Description of the Incident: _____

Employee's Signature: _____ Date: _____

Describe personal and/or property damage resulting from incident and any injury medical treatment required: _____

Preventable? _____ Non-Preventable? _____ Safety Equipment Used? ☐ Yes ☐ No

What actions have been taken with regard to incident? _____

How could similar incidents be prevented? _____

Supervisor's Signature: _____ Date: _____

Department Director's Signature: _____ Date: _____

The following page(s) contain the backup material for Agenda Item: Temporary Use Permit – Fun Zone Inflatables hosted by Fun Zone at Westfield Plaza Bonita Mall from May 17, 2018 thru September 3, 2018 with no waiver of fees. (Neighborhood Services)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO. |

ITEM TITLE:

Temporary Use Permit – Fun Zone Inflatables hosted by Fun Zone at Westfield Plaza Bonita Mall from May 17, 2018 thru September 3, 2018 with no waiver of fees.

PREPARED BY: | Dionisia Trejo |

DEPARTMENT: Neighborhood Services Department

PHONE: | (619) 336-4255 |

APPROVED BY: 

EXPLANATION:

This is a request from Fun Zone to hold Fun Zone Inflatables at 3030 Plaza Bonita Road from May 17, 2018 thru September 3, 2018. This outdoor inflatable amusement park will feature slides, obstacle courses and bouncers for child entertainment surrounded by temporary fencing for perimeter safety and carpet for flooring.

This park is open to the public and paid admission grants unlimited play time for the entire day with in and out privileges. No activities outside the fenced perimeter are set up. Days of operations will be Tuesday thru Sunday 10 a.m. – 6 p.m., and Mondays 12 p.m. – 6 p.m.

Note: This application has been approved for this request in 2016 and 2017 with no waiver of fees.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO. |

APPROVED: _____ **MIS**

City fee of \$237.00 for processing the TUP through various City departments, plus \$600.00 for the Fire Permits

Total Fees: \$837.00 |

ENVIRONMENTAL REVIEW:

| N/A |

ORDINANCE: ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

| Approve the Application for a Temporary Use Permit subject to compliance with all conditions of approval with no waiver of fees or in accordance to City Council Policy 802. |

BOARD / COMMISSION RECOMMENDATION:

| N/A |

ATTACHMENTS:

| Application for a Temporary Use Permit with recommended conditions of approval. |



City of National City ■ Neighborhood Services Department
1243 National City Boulevard ■ National City, CA 91950
(619) 336-4364 ■ fax (619) 336-4217
www.nationalcityca.gov

Special Event Application

Type of Event

- ☐ Fair/Festival ☐ Parade/March ☐ Walk or Run ☐ Concert/Performance
☒ TUP ☐ Sporting Event ☐ Other (specify) _____

Event Name & Location

Event Title Fun Zone Inflatables

Event Location (list all sites being requested) 3030 plaza Bonita Rd National City

Event Times

Set-Up Starts
Date 5/16/18 Time 10:00am Day of Week Wed.

Event Starts
Date 5/17/18 Time 10:00am Day of Week Thurs.

Event Ends
Date 9/3/18 Time 6:00pm Day of Week Monday

Breakdown Ends
Date 9/4/18 Time 10:00am Day of Week Monday

RECEIVED

APR 29 2018

Neighborhood Services Department
City of National City

Applicant Information

Applicant (Your name) Howard Tawfik Sponsoring Organization Fun Zone

Event Coordinator (if different from applicant) _____

Mailing Address P.O. Box 3111 La Mesa CA 91944

Day Phone 619-905-3717 After Hours Phone 619-905-3717 Cell 619-905-3717 Fax _____

Public Information Phone _____ E-mail htawfik4@yahoo.com

Applicant agrees to investigate, defend, indemnify and hold harmless the City, its officers, employees and agents from and against any and all loss, damage, liability, claims, demands, detriments, costs, charges, expense (including attorney's fees) and causes of action of any character which the City, its officers, employees and agents may incur, sustain or be subjected to on account of loss or damage to property or the loss of use thereof and for bodily injury to or death of any persons (including but not limited to the employees, subcontractors, agents and invitees of each party hereto) arising out of or in any way connected to the occupancy, enjoyment and use of any City premises under this agreement to the extent permitted by law.

Applicant understands this TUP/special event may implicate fees for City services, which will have to be paid in the City's Finance Department 48 hours prior to the event set-up. The undersigned also understands and accepts the City's refund policy for application processing and facility use and that fees and charges are adjusted annually and are subject to change.

Signature of Applicant: Howard Tawfik Date 4/26/18

Special Event Application (continued)

Please complete the following sections with as much detail as possible since fees and requirements are based on the information you provide us.

Fees/Proceeds/Reporting

Is your organization a "Tax Exempt, nonprofit" organization? Yes ☐ No ☒

Are admission, entry, vendor or participant fees required? Yes ☒ No ☐

If YES, please explain the purpose and provide amount (s):

\$12 - \$15 Per Person. Parents free.

\$ _____ Estimated Gross Receipts including ticket, product and sponsorship sales from this event.

\$ _____ Estimated Expenses for this event.

\$ _____ What is the projected amount of revenue that the Nonprofit Organization will receive as a result of this event?

Description of Event

☐ First time event ☒ Returning Event ☒ include site map with application

Note that this description may be published in our City Public Special Events Calendar:

childrens jumpers and slides

Estimated Attendance

Anticipated # of Participants: 30-50 Anticipated # of Spectators: 15-20

Customers
daily

Traffic Control, Security, First Aid and Accessibility

Requesting to close street(s) to vehicular traffic? Yes ☐ No ☒

List any streets requiring closure as a result of the event (provide map): _____

Date and time of street closure: _____ Date and time of street reopening: _____

☐ Other (explain) _____

Requesting to post "no parking" notices? Yes ☐ No ☒

☐ Requested "No Parking" on city streets and/or parking lots (list streets/parking lots) (provide map): _____

☐ Other (explain) _____

Security and Crowd Control

Depending on the number of participants, your event may require Police services.

Please describe your procedures for both Crowd Control and Internal Security: Barricades
to control Crowd Control and Employees
to control Security.

Have you hired Professional Security to handle security arrangements for this event?

Yes ☐ No ☒ If YES, name and address of Security Organization _____

Security Director (Name): _____ Phone: _____

If using the services of a professional security firm AND the event will occur on City property, please provide a copy of its insurance certificate, evidencing liability with limits of at least \$1 Million dollars per occurrence/\$2 Million dollars aggregate, as well as and additional insured endorsement naming the City of National City, its officers, employees, and agents as additional insureds. Evidence of insurance must be provided by the vendor or its insurer to the City's Risk Manager for review and approval prior to the event.

Is this a night event? Yes ☐ No ☒ If YES, please state how the event and surrounding area will be illuminated to ensure safety of the participants and spectators: _____

First Aid

Depending on the number of participants, your event may require specific First Aid services.

First aid station to be staffed by event staff? Yes ☒ No ☐ First aid/CPR certified? Yes ☐ No ☒

☐ First aid station to be staffed by professional company. ► Company _____

Accessibility

Please describe your Accessibility Plan for access at your event by individuals with disabilities:

all areas will have disability access
every event is ground level.

Elements of your Event

Setting up a stage? Yes ☐ No ☒

☐ Requesting City's PA system

☐ Requesting City Stage; if yes, which size? ☐ Dimensions (13x28) ☐ Dimensions (20x28)

☐ Applicant providing own stage ► _____ (Dimensions)

Setting up canopies or tents?

_____ # of canopies size _____

2 # of tents size 10x10

☐ No canopies/tents being set up

Setting up tables and chairs?

☒ Furnished by Applicant or Contractor

6 # of tables ☐ No tables being set up

12 # of chairs ☐ No chairs being set up

☐ (For City Use Only) Sponsored Events – Does not apply to co-sponsored events

_____ # of tables ☐ No tables being set up

_____ # of chairs ☐ No chairs being set up

Contractor Name _____

Contractor Contact Information _____
Address City/State Phone Number

Setting up other equipment?

- ☐ Sporting Equipment (explain) _____
- ☐ Other (explain) _____
- ☐ Not setting up any equipment listed above at event

Having amplified sound and/or music? Yes ☐ No ☒

- ☐ PA System for announcements ☐ CD player or DJ music
- ☐ Live Music ▶ ☐ Small 4-5 piece live band ▶ ☐ Large 6+ piece live band
- ☐ Other (explain) _____

If using live music or a DJ. ▶ Contractor Name _____

▶ _____

Address City/State Phone Number

Using lighting equipment at your event? Yes ☐ No ☒

- ☐ Bringing in own lighting equipment
- ☐ Using professional lighting company ▶ Company Name _____
- _____
- Address City/State Phone Number

Using electrical power? Yes ☒ No ☐

- ☒ Using on-site electricity ☐ For sound and/or lighting ☒ For food and/or refrigeration
- ☐ Bringing in generator(s) ☐ For sound and/or lighting ☐ For food and/or refrigeration

Vendor Information

PLEASE NOTE: You may be required to apply for a temporary health permit if food or beverages are sold or given away during your special event. Also see 'Permits and Compliance' on page 8 in the Special Event Guide. For additional information on obtaining a temporary health permit, please contact the County of San Diego Environmental Health at (619) 338-2363.

Having food and non-alcoholic beverages at your event? Yes ☐ No ☒

- ☐ Vendors preparing food on-site ▶ # _____ ▶ Business License # _____

If yes, please describe how food will be served and/or prepared: _____

If you intend to cook food in the event area please specify the method:
☐ GAS ☐ ELECTRIC ☐ CHARCOAL ☐ OTHER (Specify): _____

- ☐ Vendors bringing pre-packaged food ▶ # _____ ▶ Business License # _____
- ☒ Vendors bringing bottled, non-alcoholic beverages (i.e., bottled water, can soda, etc.) ▶ # 100
- ☐ Vendors selling food # _____ ▶ Business License #(s) _____
- ☐ Vendors selling merchandise # _____ ▶ Business License #(s) _____

- ☐ Food/beverages to be handled by organization; no outside vendors
- ☐ Vendors selling services # _____ ▶ Business License #(s) _____
- ▶ Explain services _____
- ☐ Vendors passing out information only (no business license needed) # _____
- ▶ Explain type(s) of information _____
- ☐ No selling or informational vendors at event

Having children activities? Yes ☒ No ☐

PLEASE NOTE: In the event inflatable jumps are provided at the event, The City of National City requires commercial liability insurance with limits of at least \$1 Million dollars per occurrence/\$2 Million dollars aggregate. In addition, the City of National City must be named as an Additional Insured pursuant to a separate endorsement, which shall be provided by the vendor or its insurer to the City's Risk Manager, along with the Certificate of Insurance, for approval prior to the event. The application should be filed out at least one week prior to the event. There is a \$25 fee to process the permit application. For questions or to obtain a copy of the "Facility Use Application", please contact the Engineering/Public Works Department at (619) 336-4580.

- ☒ Inflatable bouncer house # 3 ☐ Rock climbing wall Height _____
- ☒ Inflatable bouncer slide # 2 ☐ Arts & crafts (i.e., craft making, face painting, etc.)
- ☐ Other _____

Having fireworks or aerial display? Yes ☐ No ☒

- ☐ Vendor name and license # _____
- Dimensions _____ Duration _____
- Number of shells _____ Max. size _____

PLEASE NOTE: In the event fireworks or another aerial display is planned for your event, The City of National City requires commercial liability insurance with limits of at least \$2 Million dollars per occurrence/ \$4 Million dollars aggregate. In addition, the City of National City must be named as an Additional Insured pursuant to a separate endorsement, which shall be provided by the vendor or its insurer to the City's Risk Manager, along with the Certificate of Insurance, for approval prior to the event. Depending on the size and/or nature of the fireworks display, the City reserves the right to request higher liability limits. The vendor must also obtain a fireworks permit from the National City Fire Department and the cost is \$502.00

Arranging for media coverage? Yes ☐ No ☒

- ☐ Yes, but media will not require special set-up
- ☐ Yes, media will require special set-up. Describe _____

Event Signage

PLEASE NOTE: For City sponsored or co-sponsored events, banners publicizing the event may be placed on the existing poles on the 1800 block and 3100 block of National City Boulevard. The banners must be made to the City's specifications. Please refer to the City's Special Event Guidebook and Fee Schedule for additional information.

Are you planning to have signage at your event? Yes ☒ No ☐

☐ Yes, we will post signage # _____ Dimensions _____

☐ Yes, having Inflatable signage # _____ ▶ (complete Inflatable Signage Request form)

☒ Yes, we will have banners # 1

☐ What will signs/banners say? Fun Zone inflatables

☐ How will signs/banners be anchored or mounted? to Fence

Waste Management

PLEASE NOTE: One toilet for every 250 people is required, unless the applicant can show that there are sufficient facilities in the immediate area available to the public during the event.

Are you planning to provide portable restrooms at the event? Yes ☒ No ☐

If yes, please identify the following:

▶ Total number of portable toilets: 3

▶ Total number of ADA accessible portable toilets: 1

☒ Contracting with portable toilet vendor. ▶ A pot Rentals
Company Phone

▶ Load-in Day & Time 5/20/18 10:00am ▶ Load-out Day & Time 9/3/18 10:00am

☒ Portable toilets to be serviced. ▶ Time 10:00am

Set-up, Breakdown, Clean-up

Setting up the day before the event?

☒ Yes, will set up the day before the event. ▶ # of set-up day(s) 1

☐ No, set-up will occur on the event day

Requesting vehicle access onto the turf?

☐ Yes, requesting access onto turf for set-up and breakdown (complete attached Vehicle Access Request form)

☒ No, vehicles will load/unload from nearby street or parking lot.

NPDES-Litter Fence

- ☐ City to install litter fence.
- ☐ Applicant to install litter fence
- ☒ N/A

Breaking down set-up the day after the event?

- ☒ Yes, breakdown will be the day after the event. ► # of breakdown day(s) 1
- ☐ No, breakdown will occur on the event day.

How are you handling clean-up?

- ☐ Using City crews
- ☐ Using volunteer clean-up crew during and after event.
- ☒ Using professional cleaning company during and after event.

Miscellaneous

Please list anything important about your event not already asked on this application:

**Please make a copy of this application for your records.
We do not provide copies.**



Special Events

Pre-Event Storm Water Compliance Checklist

I. Special Event Information

Name of Special Event: Fun Zone Inflatables
 Event Address: 3030 plaza Bonita Rd Expected # of Attendees: 30-50 per day
 Event Host/Coordinator: Howard Tawfiger Phone Number: 619-905-3717

II. Storm Water Best Management Practices (BMPs) Review

	YES	NO	N/A
Will enough trash cans provided for the event? Provide number of trash bins: <u>6</u>	✓		
Will enough recycling bins provided for the event? Provide number of recycle bins: <u>3</u>	✓		
Will all portable toilets have secondary containment trays? (exceptions for ADA compliant portable toilets)	✓		
Do all storm drains have screens to temporarily protect trash and debris from entering?			✓
Are spill cleanup kits readily available at designated spots?			✓

* A Post-Event Storm Water Compliance Checklist will be completed by City Staff.

City of National City

PUBLIC PROPERTY USE HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

Persons requesting use of City property, facilities or personnel are required to provide a minimum of \$1,000,000 combined single limit insurance for bodily injury and property damage which includes the City, its officials, agents and employees named as additional insured and to sign the Hold Harmless Agreement. Certificate of insurance must be attached to this permit. The insurance company issuing the insurance policy must have a A.M. Best's Guide Rating of A:VII and that the insurance company is a California admitted company; if not, then the insurance policy to the issuance of the permit for the event. The Certificate Holder must reflect:

City of National City
Risk Management Department
1243 National City Boulevard
National City, CA 91950

Organization: FUN ZONE INFANTARIOS

Person in Charge of Activity: Howard Taufique

Address: 3030 plaza Bonita rd national city

Telephone: 619-905-3717 Date(s) of Use: 5/20/18 - 9/3/18

HOLD HARMLESS AGREEMENT

As a condition of the issuance of a temporary use permit to conduct its activities on public or private property, the undersigned hereby agree(s) to defend, indemnify and hold harmless the City of National City and the Parking Authority and its officers, employees and agents from and against any and all claims, demands, costs, losses, liability or, for any personal injury, death or property damage, or both, or any litigation and other liability, including attorneys fees and the costs of litigation, arising out of or related to the use of public property or the activity taken under the permit by the permittee or its agents, employees or contractors.

Signature of Applicant: Howard Taufique

Official Title: Owner

Date: 4/26/18

For Office Use Only

Certificate of Insurance Approved _____ Date _____

Effective Date: 03-28-2018

CONTRACT FOR SHORT TERM LEASE AGREEMENT

SHOPPING CENTER	Plaza Bonita
LESSEE	Howard Tawfik, a Sole Proprietor
DBA	Fun Zone
ADDRESS	4011 Massachusetts Avenue
CITY/STATE/ZIP	La Mesa, CA 91941
CONTRACT #	PBO18035

Reservation Detail:

Premises	Start Date	End Date	Base Rent (net/section)	CAM* Fee (net/section)	Utility Fee (net/section)	HVAC* Maint. Fee (net/section)	Trash Removal Fee (net/section)	Sign Fee (net/section)	Other Fee (net/section)	City/State Sales Tax (net/section)	Rent/Fee Total (net/section)	Security Deposit (net/section)
Section 2	4/30/2018	9/30/2018	\$22,500.00	\$0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00	\$22,500.00	\$2,500.00

* CAM = Common Area Maintenance; HVAC = Heating, Ventilating and Air Conditioning

Permitted Use: For the retail sale and display of children's inflatable fun slides, rides, and jump around environments. Location is lot 7 at 132x200'. All signage and hours of operation must be pre approved by management. Lot must be returned to center as delivered with all holes filled properly.

Payment Schedule:

Due Date	Base Rent	Operations	Utilities	Other Fees	Tax	Security Deposit	Total Due
April 30, 2018	2500.00	0.00	0.00	\$0.00	0.00	\$2,500.00	\$5,000.00
May 1, 2018	5000.00	0.00	0.00	\$0.00	0.00		\$5,000.00
June 1, 2018	5000.00	0.00	0.00	\$0.00	0.00		\$5,000.00
July 1, 2018	5000.00	0.00	0.00	\$0.00	0.00		\$5,000.00
August 1, 2018	5000.00	0.00	0.00	\$0.00	0.00		\$5,000.00
September 1, 2018	0.00	0.00	0.00	\$0.00	0.00		\$0.00

Security Deposit on File:

Payments shall be made payable as written below and directed to the following lockbox (always refer to PBO18035 on the check):

Plaza Bonita LLC
PO Box 55879
Los Angeles, CA 90074-5879

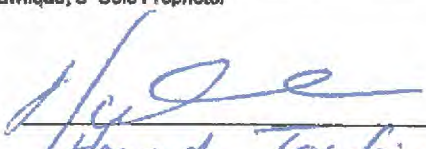


Percentage Rent Schedule:

Monthly	Term	Percentage Rent Rate	Sales Breakpoint	Overage Due Date
4/1/2018		15.00 %	\$16,666.67	5/5/2018
5/1/2018		15.00 %	\$33,333.33	6/5/2018
6/1/2018		15.00 %	\$33,333.33	7/5/2018
7/1/2018		15.00 %	\$33,333.33	8/5/2018
8/1/2018		15.00 %	\$33,333.33	9/5/2018
9/1/2018		15.00 %	\$0.00	10/5/2018

Center Detail:

Property	Address	Phone	Additional Insured Language	Property Management
Plaza Bonita	3030 Plaza Bonita Rd., #2075 National City, CA 91960	619-267-2850	Westfield America Limited Partnership, Westfield America, Inc., Plaza Bonita LLC, Westfield Property Management LLC and any and all of their respective, parents, partners, subsidiaries and affiliates, assigns, employees, agents, officers and representatives together with any mortgages from time to time of the Landlord's interest, are named as an additional insured, as their interests may appear.	Westfield Property Management LLC

Lessee hereby contracts for the lease of certain space as described above upon the terms and conditions set forth in this Contract for Short Term Lease Agreement ("Contract"), including the Reservation Detail, Payment Schedule, Percent Rent Schedule, and Center Detail, (to) on the attached Contract for Short Term Lease Agreement Standard Terms ("Standard Terms") and (ii) Exhibit A (the Contract, the Standard Terms, and Exhibit A, collectively the "Lease"). The parties agree that signatures by facsimile or electronic delivery shall be accepted as originals. This Lease must be signed by both Lessee and Lessor to be effective.

"LESSEE":	"LESSOR":
Howard Tawfik, a Sole Proprietor	Westfield Property Management LLC, a Delaware limited liability company
Signature: 	In its capacity as agent for the owner(s) of the Shopping Center
Name: Howard Tawfik	Signature: 
	Name: 

**CITY OF NATIONAL CITY
NEIGHBORHOOD SERVICES DEPARTMENT
APPLICATION FOR A TEMPORARY USE PERMIT
RECOMMENDATIONS AND CONDITIONS**

SPONSORING ORGANIZATION: Fun Zone

EVENT: Fun Zone Inflatables

DATE OF EVENT: May 17, 2018 thru September 3, 2018

APPROVALS:

DEVELOPMENT SERVICES	YES [x]	NO []	SEE CONDITIONS []
RISK MANAGER	YES [x]	NO []	SEE CONDITIONS [x]
PUBLIC WORKS	YES [x]	NO []	SEE CONDITIONS []
FINANCE	YES [x]	NO []	SEE CONDITIONS [x]
FIRE	YES [x]	NO []	SEE CONDITIONS [x]
POLICE	YES [x]	NO []	SEE CONDITIONS [x]
CITY ATTORNEY	YES [x]	NO []	SEE CONDITIONS [x]
COMMUNITY SERVICES	YES [x]	NO []	SEE CONDITIONS []
NEIGHBORHOOD SERVICES	YES [x]	NO []	SEE CONDITIONS [x]

CONDITIONS OF APPROVAL:

DEVELOPMENT SERVICES (619) 336-4318

Building

Pending

Planning

No comments

Engineering

No comments

POLICE DEPARTMENT

The police department has no stipulations for this TUP/event. We will inform patrol officers of the event and provide extra patrol when possible.

CITY ATTORNEY

Approved on condition that Risk Manager approves.

COMMUNITY SERVICES

No involvement

NEIGHBORHOOD SERVICES

Neighborhood Notifications – Events are required to notify residents and/or businesses of the surrounding impacted areas by the event. The notice shall include the name of the event, name and phone number of the company/organization producing the event, the dates and times of the event (including set-up and breakdown) and a detailed description of how the residents and/or businesses may be affected, such as by street closures, “No Parking” signs being posted, music at the event, etc.

RISK MANAGER (619) 336-4370

Risk Management has reviewed the above captioned request to for the issuance of a Temporary Use Permit. It is recommended that as a condition of the issuance of the permit that the following documents must be provided:

- A valid copy of the Certificate of Liability Insurance.
- That the insurance policy must have a combined single limit of no less than \$1,000,000.00 (ONE MILLION DOLLARS) and \$2,000,000.00 (TWO MILLION DOLLARS) in aggregate that would cover the date and location of the event.
- The applicant must provide a separate additional insured endorsement wherein it notes as the additional insured as “The City of National City, its officials, agents, employees and volunteers”.
- That the insurance company issuing the insurance policy must have a A.M. Best's Guide Rating of A:VII and that the insurance company is a California admitted company; if not then insurance policy must be submitted to the Risk Management Department for review and approval prior to the issuance of the Temporary Use Permit.
- The Certificate Holder must reflect:
City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA. 91950-4301

It should be noted that the Indemnification and Hold Harmless Agreement were properly executed by the applicant at the time the Special Event Application was submitted.

PUBLIC WORKS (619)366-4580

No involvement

FINANCE

Pending

FIRE (619) 336-4550

INSPECTION REQUIRED

**\$200.00 INSPECTION FEE FOR INSPECTIONS OCCURRING
AFTER HOURS OR ON WEEKENDS OR HOLIDAYS
\$400.00 CANOPY/TENT PERMIT. TOTAL \$600.00**

Stipulations required by the Fire Department for this event are as follows:

- 1) Access to the area to be maintained at all times, entrances and emergency roadways
- 2) Fire Department access into and through event areas are to be maintained at all times. Fire apparatus access roads shall have an unobstructed width of not less than 20 feet and an unobstructed vertical clearance of not less than 14 feet.
- 3) Fire Hydrants shall not be blocked or obstructed.
- 4) Participants on foot are to move immediately to the sidewalk upon approach of emergency vehicle(s).
- 5) Vehicles in roadway are to move immediately to the right upon approach of emergency vehicle(s).
- 5) Vehicles shall be isolated from contact with the tents, canopies or membrane structures. Vehicles shall be at least **20** feet away from tents, canopies and membrane structures.
- 8) Provide a minimum of 2A:10BC fire extinguishers throughout area. Extinguisher to be mounted in a visible location between 3½' to 5' from the floor to the top of the extinguisher. Maximum travel distance from an extinguisher shall not be more than 75 feet travel distance. A sign describing location of extinguisher (*Fire Extinguisher*) shall be placed immediately above the fire extinguisher

- 7) Every room or space, shall have the occupant load of the space posted in a conspicuous place, near the main exit or exit access doorway from the room or space. Posted signs shall be of an approved legible permanent design and shall be maintained by the owner or authorized agent. The maximum occupant load of this space shall be based on room set-up and items placed inside tents or canopies. **The maximum occupancy load shall be posted by the Building or Fire Official based on room configuration.** At no time shall the owner or agent allow the posted occupant load to be exceeded.
- 8) Exits shall be clearly marked. Exit signs shall be installed at required exit doorways and where otherwise necessary to indicate clearly the direction of egress when the exit serves and occupant of 50 or more. Exits, aisles and passageways shall not be blocked or have their minimum clear width obstructed in any manner.
- 9) The arrangement of aisles shall be subject to approval by the building and fire code official, and shall be maintained clear at all times during occupancy.
- 10) The floor surface and grounds outside shall be kept clear of combustible waste. Such waste shall be stored in approved containers until removed from the premises.
- 11) Smoking shall not be permitted in amusement area. Approved "No Smoking" signs shall be conspicuously posted.
- 12) Internal combustion power sources that may be used for "Emergency Power" shall be of adequate capacity to permit uninterrupted operation during normal operating hours.
- 13) Internal combustion power sources shall be isolated from contact with the public by either physical guards, fencing or an enclosure.
- 14) A drip pan shall be used to capture oils and fuel lost during normal operation.
- 15) Diesel fuel stored, shall be no more than 10 gallons of fuel. Diesel fuel shall be stored no closer than 20 feet from generator.
- 16) Diesel fuel shall be protected from impact of surrounding vehicles and machinery (20 feet). Container holding fuel, shall meet all state and federal guidelines for holding vessel and storage.
- 17) Approved holding vessel (container) shall be labeled (DOT) so as to describe its contents. Label shall be visible to all oncoming emergency personal.
- 18) Diesel fuel container shall have secondary containment to meet code.

- 19) Diesel fuel container shall be bonded and grounded to meet code.
- 20) Dispensing of fuel shall meet code requirements for the correct dispensing of flammable and combustible liquids. Gravity style dispensing apparatus shall not be used.
- 21) Provide a 2A:10BC fire extinguisher at entrance to generator. Extinguisher to be mounted in a visible location between 3½' to 5' from the floor to the top of the extinguisher. Maximum travel distance from an extinguisher shall not be more than 75 feet travel distance.
- 22) Any electrical power used, is to be properly grounded and approved. Extension cords shall be used as "Temporary Wiring" only, and shall be protected so as not to create a tripping hazard to the public. Consult building official for requirements and inspection of possible temporary power/electrical.
- 23) A \$400 fee for the 600 square foot canopy and flame resistance certification will be required for the TUP permit.
- 24) Provide flame resistant documentation for all inflatables and tents/canopies as listed in these stipulations.
- 25) Entire air supported structure systems shall be inspected at regular intervals throughout the permit use period, by the permittee, owner or agent to determine that the installation is maintained in accordance with California Fire Code.
- 26) A fire safety inspection is to be conducted by the Fire Department prior to operations of the event Required inspections taking place, after hours, holidays, and weekends will be assessed a minimum of two hundred (\$200.00) dollars. Please contact the National City Fire Department to arrange a time for inspection. Periodic inspections will be conducted by the National City Fire Department for this event.
- 27) Fire Department fees can only be waived by City Council.
- 28) All air blowers for inflation must be listed for use.

- 29) If tents or canopies are used, tents having an area in excess of 200 square feet and or canopies in excess of 400 square feet or multiple tents and or canopies placed together equaling or greater than the above stated areas, are to be used, they shall be flame-retardant treated with an approved State Fire Marshal seal attached. A ten feet separation distance must be maintained between tents and canopies. A permit from the Fire Department must be obtained. ***Cooking shall not be permitted under tents or canopies unless the tents or canopies meet "State Fire Marshal approval for cooking."*** Certificate of State Fire Marshal flame resistancy shall be provided to the National City Fire Department if applicable. A permit for the projected canopies/tents shall be four hundred (\$400.00) dollars. Fees can only be waived by City Council.

Canopies:

0 – 400 sf -	\$0
401 – 500 sf -	\$250.00
501 – 600 sf -	\$300.00
601 – 700 sf -	\$400.00

Tents:

0 –200 sf -	\$200.00
201 – (+) sf -	\$400.00

Approval Contingent Upon Final Field Inspection and Compliance With All Applicable Codes and Ordinances.

The following page(s) contain the backup material for Agenda Item: Warrant Register #40 for the period of 03/28/18 through 04/03/18 in the amount of \$1,397,013.91.
(Finance)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.:

ITEM TITLE:

Warrant Register #40 for the period of 03/28/18 through 04/03/18 in the amount of \$1,397,013.91.
(Finance)

PREPARED BY: Karla Apalategui, Accounting Assistant

DEPARTMENT: Finance

PHONE: 619-336-4572

APPROVED BY: _____

EXPLANATION:

Per Government Section Code 37208, attached are the warrants issued for the period of 03/28/18 through 04/03/18.

Consistent with Department of Finance, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
County Mechanical	334549	57,778.85	HVAC Preventative Maintenance
Dick Miller Inc	334561	104,864.13	Citywide Alley Improvements
Palm Engineering	334611	150,325.92	Westside Mobility Improvement Projects
US Bank	334650	64,583.56	Pars Defined Benefits / S Stevenson

FINANCIAL STATEMENT:

APPROVED: _____ **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

Warrant total \$1,397,013.91.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: **INTRODUCTION** ☐ **FINAL ADOPTION** ☐

STAFF RECOMMENDATION:

Ratify warrants totaling \$1,397,013.91

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Warrant Register #40



WARRANT REGISTER #40
4/3/2018

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
GOLDEN WEST COLLEGE	TRAINING TUITION SUPER CIVIL/ MARTINEZ	334520	4/3/18	226.00
MARTINEZ, C	TRAINING ADV POST LODGE SUB / MARTINEZ	334521	4/3/18	1,438.50
RIVERSIDE SHERIFF'S DEPT	TRAINING TUITION ROT RIVERSIDE/SMITH	334522	4/3/18	228.00
SMITH, M	TRAINING ADV POST ROT/SMITH M. B.	334523	4/3/18	512.00
24 HOUR ELEVATOR INC	CITY WIDE ELEVATOR MAINTENANCE / PW	334524	4/3/18	2,152.01
A&B SAW & LAWNMOWER	SAWS / PARKS	334525	4/3/18	2,208.79
ACEDO, I	RETIREE HEALTH BENEFIT / APRIL	334526	4/3/18	160.00
ACME SAFETY & SUPPLY CORP	CLASS 2 METAL A FRAME BARRICADES / PW	334527	4/3/18	2,654.38
AIRGAS WEST	45714 SAFETY SUPPLIES PW	334528	4/3/18	342.13
ANDERSON, E	RETIREE HEALTH BENEFIT/ APRIL	334529	4/3/18	110.00
ASSI SECURITY INC	PAD INSTALLATIONS / MIS	334530	4/3/18	10,100.00
AT&T	AT&T SBC PHONE SERVICE MARCH 2018	334531	4/3/18	329.18
BEARD, P	RETIREE HEALTH BENEFIT / APRIL	334532	4/3/18	70.00
BECK, L	RETIREE HEALTH BENEFIT / APRIL	334533	4/3/18	140.00
BISHOP, R	RETIREE HEALTH BENEFIT / APRIL	334534	4/3/18	110.00
BOEGLER, C	RETIREE HEALTH BENEFIT / APRIL	334535	4/3/18	260.00
BULL, P	RETIREE HEALTH BENEFIT / APRIL	334536	4/3/18	580.00
CALIFORNIA ELECTRIC SUPPLY	MOP 45698 ELECTRIC SUPPLIES PW	334537	4/3/18	78.74
CARRILLO, R	RETIREE HEALTH BENEFIT / APRIL	334538	4/3/18	290.00
CASAS, L	INTERPRETATION SVCS. - COUNCIL MEETING	334539	4/3/18	225.00
CITY OF LEMON GROVE	LIABILITY CLAIM COST	334540	4/3/18	3,171.35
CLAIMS MANAGEMENT ASSOCIATES	PROFESSIONAL SERVICES	334541	4/3/18	6,120.00
CLAIMS MANAGEMENT ASSOCIATES	PROFESSIONAL SERVICES	334542	4/3/18	482.80
COLE, L	RETIREE HEALTH BENEFIT/ APRIL	334543	4/3/18	165.00
COLLINSON, C	RETIREE HEALTH BENEFIT / APRIL	334544	4/3/18	420.00
CONDON, D	RETIREE HEALTH BENEFIT / APRIL	334545	4/3/18	280.00
CORDERO, E	RETIREE HEALTH BENEFIT / APRIL	334546	4/3/18	520.00
CORPUZ, T	RETIREE HEALTH BENEFIT / APRIL	334547	4/3/18	140.00
COUNTY OF SAN DIEGO	PARADISE CREEK WATER Q.	334548	4/3/18	2,280.75
COUNTYWIDE MECHANICAL	HVAC PREVENTATIVE MAINTENANCE	334549	4/3/18	57,778.85
COX COMMUNICATIONS	COX DATA SERVICES MARCH 2018	334550	4/3/18	174.00
CSMFO	2018 CSMFO MEMBERSHIP RENEWAL	334551	4/3/18	110.00
CURVATURE LLC	GLC-T-CURV 1000BASE-T-SFP / MIS	334552	4/3/18	1,479.00
DANESHFAR, Z	RETIREE HEALTH BENEFIT / APRIL	334553	4/3/18	250.00
DANIELS TIRE SERVICE	TIRES FOR CITY FLEET FOR FY 2018	334554	4/3/18	632.15
DATA TICKET INC	DATA TICKET DECEMBER 17 / NSD	334555	4/3/18	2,311.85
DAY WIRELESS SYSTEMS	COMMS EQUIPMENT SERVICE	334556	4/3/18	665.75
DEPARTMENT OF JUSTICE	NEW EMPLOYEE FINGERPRINT TEST RESULTS	334557	4/3/18	288.00
DESROCHERS, P	RETIREE HEALTH BENEFIT / APRIL	334558	4/3/18	110.00
DI CERCHIO, A	RETIREE HEALTH BENEFIT/ APRIL	334559	4/3/18	70.00
DIAZ, M	RETIREE HEALTH BENEFIT / APRIL	334560	4/3/18	680.00
DICK MILLER INC	CITYWIDE ALLEY IMPROVEMENTS	334561	4/3/18	104,864.13
DILLARD, S	RETIREE HEALTH BENEFIT / APRIL	334562	4/3/18	480.00
DREDGE, J	RETIREE HEALTH BENEFIT / APRIL	334563	4/3/18	250.00
EDDY K EDWARDS	LIABILITY CLAIM COST	334564	4/3/18	584.33
EISER III, G	RETIREE HEALTH BENEFIT / APRIL	334565	4/3/18	250.00
FABINSKI, D	RETIREE HEALTH BENEFIT / APRIL	334566	4/3/18	220.00
FERGUSON ENTERPRISES INC	FUEL DRAIN SNAKE / FACILITIES PW	334567	4/3/18	516.56
FERNANDEZ, R	RETIREE HEALTH BENEFIT / APRIL	334568	4/3/18	270.00
FIFIELD, K	RETIREE HEALTH BENEFIT / APRIL	334569	4/3/18	540.00



WARRANT REGISTER #40
4/3/2018

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
GELSKEY, K	RETIREE HEALTH BENEFIT / APRIL	334570	4/3/18	115.00
GIBBS JR, R	RETIREE HEALTH BENEFIT / APRIL	334571	4/3/18	120.00
GISH, J	RETIREE HEALTH BENEFIT / APRIL	334573	4/3/18	290.00
GONZALES, M	RETIREE HEALTH BENEFIT / APRIL	334574	4/3/18	480.00
GOVCONNECTION INC	ENT PERPETUAL LICENSE / MIS	334575	4/3/18	4,655.00
GRAINGER	MOP 65179 BUILDING SUPPLIES PW	334576	4/3/18	623.18
HANSON, E	RETIREE HEALTH BENEFIT / APRIL	334577	4/3/18	135.00
HARLAN, M	RETIREE HEALTH BENEFIT / APRIL	334578	4/3/18	500.00
HAUG, S	RETIREE HEALTH BENEFIT / APRIL	334579	4/3/18	120.00
HERNANDEZ, R	RETIREE HEALTH BENEFIT / APRIL	334580	4/3/18	400.00
HINDERLITER DE LLAMAS	CONTRACT SERVICES - SALES TAX	334581	4/3/18	9,588.81
HODGES, B	RETIREE HEALTH BENEFIT / APRIL	334582	4/3/18	200.00
IBARRA, J	RETIREE HEALTH BENEFIT / APRIL	334583	4/3/18	780.00
IDEMIA IDENTITY & SECURITY USA	NEW EMPLOYEE FINGERPRINT TEST SUBMISSION	334584	4/3/18	18.00
JAMES, R	RETIREE HEALTH BENEFIT / APRIL	334585	4/3/18	140.00
JUNIEL, R	RETIREE HEALTH BENEFIT / APRIL	334586	4/3/18	50.00
KAISER FOUNDATION HEALTH PLANS	KAISER RETIREES INS MARCH 2018	334587	4/3/18	20,069.40
KIMBLE, R	RETIREE HEALTH BENEFIT / APRIL	334588	4/3/18	300.00
KRONOS INC	IVR/VOXEO MONTHLY USAGE / MIS	334589	4/3/18	11.68
L N CURTIS & SONS	TACTICAL PANTS / FIRE	334590	4/3/18	5,567.57
LANDA, A	RETIREE HEALTH BENEFIT / APRIL	334591	4/3/18	155.00
LIEBERT CASSIDY WHITMORE	LIABILITY CLAIM COST	334592	4/3/18	91.50
LIMFUECO, M	RETIREE HEALTH BENEFIT / APRIL	334593	4/3/18	160.00
LOPEZ, ELIZABETH	BUILDING FEE REFUND	334594	4/3/18	1,207.60
LOPEZ, TERESA YOLANDA	INTERPRETATION SERVICES - 03/20/18	334595	4/3/18	400.00
MATIENZO, M	RETIREE HEALTH BENEFIT / APRIL	334596	4/3/18	100.00
MC CABE, T	RETIREE HEALTH BENEFIT / APRIL	334597	4/3/18	280.00
MCDANIEL, P	RETIREE HEALTH BENEFIT / APRIL	334598	4/3/18	290.00
MEDINA, R	RETIREE HEALTH BENEFIT / APRIL	334599	4/3/18	105.00
MILLER, C	ADVANCED DISABILITY PENSION MARCH 2018	334600	4/3/18	4,577.10
MINER, D	RETIREE HEALTH BENEFIT / APRIL	334601	4/3/18	580.00
MSI MID STATE INSTRUMENTS LLC	FIRE CAMERA	334602	4/3/18	6,443.86
MTS	MTS TROLLEY FLAGGER SERVICE FOR FY 2018	334603	4/3/18	290.16
MYERS AND SONS	CUSTOM SIGN ALUMINUM / PW	334604	4/3/18	720.40
NAGLE, N	REIMB: NOTARY FEE AND PARKING	334605	4/3/18	50.00
NOTEWARE, D	RETIREE HEALTH BENEFIT / APRIL	334606	4/3/18	120.00
OLIVARES, G	RETIREE HEALTH BENEFIT / APRIL	334607	4/3/18	280.00
O'REILLY AUTO PARTS	MOP 75877 AUTO SUPPLIES PW	334608	4/3/18	19.74
PACIFIC PRODUCTS & SERVICES	HEAVY DUTY ANCHOR	334609	4/3/18	1,479.82
PAESSLER AG	PRTG 500 - 36 MAINTENANCE / MIS	334610	4/3/18	918.00
PALM ENGINEERING	WESTSIDE MOBILITY IMPROVEMENTS PROJ-ENG	334611	4/3/18	150,325.92
PARK WAREHOUSE LLC	ANTISKATE SKATEBOARD DETERRENT	334612	4/3/18	323.50
PARTS AUTHORITY METRO LLC	MOP 75943 AUTO SUPPLIES PW	334613	4/3/18	47.03
PAUU JR, P	RETIREE HEALTH BENEFIT / APRIL	334614	4/3/18	340.00
PEASE JR, D	RETIREE HEALTH BENEFIT / APRIL	334615	4/3/18	140.00
PENSKE FORD	R&M CITY VEHICLES FOR FY 2018	334616	4/3/18	107.91
PERRY FORD	R&M CITY VEHICLES FOR FY 2018	334617	4/3/18	270.00
PETERS, S	RETIREE HEALTH BENEFIT / APRIL	334618	4/3/18	290.00
POST, R	RETIREE HEALTH BENEFIT / APRIL	334619	4/3/18	280.00
POWERSTRIDE BATTERY CO INC	MOP 67839 AUTO SUPPLIES PW	334620	4/3/18	435.83



WARRANT REGISTER #40
4/3/2018

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
PRO BUILD	MOP 45707 GENERAL SUPPLIES PW	334621	4/3/18	1,078.89
PRUDENTIAL OVERALL SUPPLY	MOP 45742 LAUNDRY SERVICES PW	334622	4/3/18	343.01
RAY, S	RETIREE HEALTH BENEFIT / APRIL	334623	4/3/18	190.00
RED WING SHOES STORE	SAFETY BOOTS / BELL / PW	334624	4/3/18	375.00
RIVERSIDE SHERIFF'S DEPT	TRAINING TUITION ROT / PD	334625	4/3/18	912.00
ROARK, L	RETIREE HEALTH BENEFIT / APRIL	334626	4/3/18	135.00
RUIZ, J	RETIREE HEALTH BENEFIT / APRIL	334627	4/3/18	310.00
S & S WELDING	STORM DRAIN PLATES 3" x 3" x 3/8" ANGLE	334628	4/3/18	169.65
SAM'S ALIGNMENT	WHEEL ALIGNMENT CITY VEHICLES FY 2018	334629	4/3/18	40.00
SANCHEZ, L	RETIREE HEALTH BENEFIT / APRIL	334630	4/3/18	330.00
SCST INC	PED MIDBLOCK CROSSING ENHANCE PROJ- ENG	334631	4/3/18	739.50
SDG&E	FACILITIES DIVISION GAS & ELECTRIC UTILITIES	334632	4/3/18	4,299.18
SERVATIUS, J	RETIREE HEALTH BENEFIT / APRIL	334633	4/3/18	340.00
SHORT, C	RETIREE HEALTH BENEFIT / APRIL	334634	4/3/18	300.00
SIGNWAREHOUSE INC	SW CUSTOM BLADE GRAPHTEC	334635	4/3/18	196.99
SITEONE LANDSCAPE SUPPLY LLC	MOP 69277 LANDSCAPE SUPPLIES PW	334636	4/3/18	138.98
SMITH, J	RETIREE HEALTH BENEFIT / APRIL	334637	4/3/18	320.00
SOUTH BAY MOTORSPORTS	R&M CITY VEHICLES / PW	334638	4/3/18	425.74
SOUTHERN CALIF TRUCK STOP	MOP 45758 FUEL SUPPLIES PW	334639	4/3/18	75.17
SOUTHWEST SIGNAL SERVICE	MONTHLY INTERSECTION MAINTENANCE FEBRUAR	334640	4/3/18	10,939.47
STEWART, W	RETIREE HEALTH BENEFIT / APRIL	334641	4/3/18	200.00
STRASEN, W	RETIREE HEALTH BENEFIT / APRIL	334642	4/3/18	135.00
SWEETWATER AUTHORITY	WASTEWATER DIVISION WATER UTILITES	334643	4/3/18	27.82
TELECOM LAW FIRM P C	RIGHT-OF-WAY WIRELESS FACILITIES	334644	4/3/18	4,267.50
THE LIGHTHOUSE INC	MOP 45726 AUTO SUPPLIES PW	334645	4/3/18	214.54
THE SHERWIN WILLIAMS CO	MOP 77816 PAINT SUPPLIES PW	334646	4/3/18	263.21
THE STAR NEWS PUBLISHING COMP	ADVERTISING OF NOTICES	334647	4/3/18	51.25
TIPTON, B	RETIREE HEALTH BENEFIT / APRIL	334648	4/3/18	250.00
U S HEALTHWORKS	DOT EXAMS / HR	334649	4/3/18	288.00
US BANK	PARS DEFINED BENEFIT/ S STEVENSON	334650	4/3/18	64,583.56
VALLEY INDUSTRIAL SPECIALTIES	MOP 46453 PLUMBING SUPPLIES PW	334651	4/3/18	39.71
VERRY, L	RETIREE HEALTH BENEFIT / APRIL	334652	4/3/18	280.00
VILLAGOMEZ, J	RETIREE HEALTH BENEFIT / APRIL	334653	4/3/18	480.00
WESTFLEX INDUSTRIAL	MOP 63850 AUTO SUPPLIES PW	334654	4/3/18	549.59
WHITE, J	RETIREE HEALTH BENEFIT/ APRIL	334655	4/3/18	230.00
WILLDAN FINANCIAL SERVICES	FEE STUDY RFP	334656	4/3/18	6,835.00
WILLY'S ELECTRONIC SUPPLY	MOP #45763/ELECTRONIC SUPPLIES/MIS	334657	4/3/18	232.13
WISER, RON	REFUND OF BUSINESS LICENSE RENEWAL	334658	4/3/18	60.00
Z A P MANUFACTURING INC	SIGN FILM GREEN	334659	4/3/18	492.19

A/P Total 524,449.34

SECTION 8 HAPS

Start Date
3/28/2018

End Date
4/3/2018

872,564.57

GRAND TOTAL

\$1,397,013.91

Certification

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

MARK ROBERTS, FINANCE

LESLIE DEESE, CITY MANAGER

FINANCE COMMITTEE

RONALD J. MORRISON, MAYOR-CHAIRMAN

ALBERT MENDIVIL, VICE-MAYOR

ALEJANDRA SOTELO-SOLIS, MEMBER

MONA RIOS, MEMBER

JERRY CANO, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 15th OF MAY, 2018.

AYES_____

NAYS_____

ABSENT_____

The following page(s) contain the backup material for Agenda Item: Warrant Register #41 for the period of 04/04/18 through 04/10/18 in the amount of \$2,065,780.09.
(Finance)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.:

ITEM TITLE:

Warrant Register #41 for the period of 04/04/18 through 04/10/18 in the amount of \$2,065,780.09.
(Finance)

PREPARED BY: Karla Apalategui, Accounting Assistant

DEPARTMENT: Finance

PHONE: 619-336-4572

APPROVED BY: _____

EXPLANATION:

Per Government Section Code 37208, attached are the warrants issued for the period of 04/04/18 through 04/10/18.

Consistent with Department of Finance, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
A Good Sing & Graphics Co	334663	62,141.25	Wayfinding Signage Project
L B Civil Construction	334693	147,937.00	24 th Street Comm Gateway Project
Municipal Maintenance Equip	334698	253,574.18	RAVO 5 I Series Street Sweeper/PW
Public Emp Ret System	40518	230,002.94	Service Period 03/13/18 – 03/26/18
Adminsire Inc	221277	79,253.26	WC Account Replenishment / Mar18

FINANCIAL STATEMENT:

APPROVED: _____ **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

Warrant total \$2,065,780.09.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: **INTRODUCTION** ☐ **FINAL ADOPTION** ☐

STAFF RECOMMENDATION:

Ratify warrants totaling \$2,065,780.09

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Warrant Register #41



WARRANT REGISTER #41
4/10/2018

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
FIRE PREVENTION SERVICES INC	WEED ABATEMENT PROGRAM FY 18	334660	4/10/18	9,130.19
211 SAN DIEGO	CITIES CONTRIBUTION - FY 2017/2018	334661	4/10/18	11,716.40
24 HOUR ELEVATOR INC	CITY WIDE ELEVATOR MAINTENANCE & REPAIR	334662	4/10/18	2,905.24
A GOOD SIGN & GRAPHICS COMPANY	WAYFINDING SIGNAGE PROJECT	334663	4/10/18	62,141.25
A GOOD SIGN & GRAPHICS COMPANY	WAYFINDING SIGNAGE PROJECT	334664	4/10/18	16,754.33
ALL THE KINGS FLAGS	CITY WIDE FLAGS & ACCESSORIES / PW	334665	4/10/18	325.43
AMERICAN BACKFLOW SPECIALTIES	BACKFLOWS & GAUGES / PW	334666	4/10/18	2,366.77
ASSI SECURITY INC	CITY WIDE DOOR SECURITY SERVICES	334667	4/10/18	4,285.00
BARAHURA, D	TRAINING ADV LODGE SUB DISPATCHER UPDATE/ PD	334668	4/10/18	322.62
BCL TECHNOLOGIES	BCL EASYPDF SDK ANNUAL SUPPORT	334669	4/10/18	899.40
BOOT WORLD	MOP 64096 SAFETY APPAREL PW	334670	4/10/18	250.00
CAL UNIFORMS INC	CLASS A UNIFORMS / FIRE	334671	4/10/18	618.38
CALIFORNIA DIESEL COMPLIANCE	PSIP- STATEWIDE SMOKE OPACITY TEST	334672	4/10/18	900.00
CARDOZA, M	TRAINING ADV POST/LOD SUB / PD	334673	4/10/18	512.00
CLF WAREHOUSE INC	MOP 80331 AUTO SUPPLIES PW	334674	4/10/18	552.58
COUNTYWIDE MECHANICAL	CITY WIDE ONSITE HEATING & VENTILATION	334675	4/10/18	315.00
COX COMMUNICATIONS	COX DATA SERVICES APRIL 2018	334676	4/10/18	403.79
CSA SAN DIEGO COUNTY	CDBG CSA FAIR HOUSING SERV. FEB.	334677	4/10/18	2,261.24
DANIELS TIRE SERVICE	TIRES FOR CITY FLEET FOR FY 2018	334678	4/10/18	527.40
DISCOUNT SCHOOL SUPPLY	CLASSROOM SUPPLIES FOR TINY TOTS	334679	4/10/18	584.31
ESGIL CORPORATION	PLAN CHECKS / FIRE	334680	4/10/18	1,138.50
EXOS COMMUNITY SERVICES LLC	FEBRUARY 2018 MANAGEMENT SERVICES / CSD	334681	4/10/18	24,780.71
EXPRESS PIPE AND SUPPLY CO INC	CITY WIDE PLUMBING PARTS & MATERIALS	334682	4/10/18	20.53
FERGUSON ENTERPRISES INC	MOP 45723 BUILDING SUPPLIES PW	334683	4/10/18	180.74
FITNESS DIRECT	CITY HALL GYM EQUIP PARTS -WELLNESS	334684	4/10/18	529.73
FLEET SERVICES INC	MOP 67804 AUTO SUPPLIES PW	334685	4/10/18	71.68
FUN EXPRESS LLC	HOLIDAY SUPPLIES FOR TINY TOTS PROGRAM	334686	4/10/18	424.38
GIL, S	TRAINING ADV POST SUBSISTENCE / PD	334687	4/10/18	512.00
GOVCONNECTION INC	INTEL STK1AW32SC COMPUTE STICK / MIS	334688	4/10/18	1,372.97
GRAINGER	MOP 54877 SUPPLIES / PW	334689	4/10/18	5,300.58
HERNANDEZ, R	FEE REIMBURSEMENT	334690	4/10/18	73.52
KEARNY MESA TOYOTA	2018 TOYOTA CAMRY LE FOR POLICE - ENG	334691	4/10/18	24,016.74
KOMPAN INC	FITNESS STATION EQUIPMENT FOR EL TOYON	334692	4/10/18	16,199.42
L B CIVIL CONSTRUCTION INC	24TH STREET COMMUNITY GATEWAY PROJECT	334693	4/10/18	147,937.00
L N CURTIS & SONS	TURNOUTS FOR BLUNT	334694	4/10/18	2,686.13
LA JOLLA POOLS INC	LAS PALMAS POOL SERVICE	334695	4/10/18	1,125.00
LCPTRACKER INC	ANNUAL LICENSE FEE	334696	4/10/18	8,019.00
LEHR AUTO ELECTRIC	POWER TIMER, AUTOMOTIVE RELAY	334697	4/10/18	387.88
MUNICIPAL MAINTENANCE EQUIP	RAVO 5 I SERIES STREET SWEEPER - PW	334698	4/10/18	253,574.18
NAN MCKAY AND ASSOCIATES INC	PIH ALERT SUBSCRIPTION FOR S8	334699	4/10/18	349.00
NATIONAL CITY CAR WASH	CAR WASH SERVICES FOR CITY FLEET FY 2018	334700	4/10/18	470.00
O'REILLY AUTO PARTS	MOP 75877 AUTO SUPPLIES PW	334701	4/10/18	74.17
ORKIN	PEST AND RODENT CONTROL SERVICES	334702	4/10/18	882.00
PARTS AUTHORITY METRO LLC	MOP 75943 AUTO SUPPLIES PW	334703	4/10/18	171.40
PENSKE FORD	R&M CITY VEHICLES FOR FY 2018	334704	4/10/18	175.84
PERRY FORD	R&M CITY VEHICLES FOR FY 2018	334705	4/10/18	856.25
POWERSTRIDE BATTERY CO INC	MOP 67839 AUTO SUPPLIES PW	334706	4/10/18	928.48
PRO BUILD	MOP 45707, FIRE CHARGES	334707	4/10/18	82.63
PRUDENTIAL OVERALL SUPPLY	45742 LAUNDRY SERVICE	334708	4/10/18	101.01
RIVERSIDE SHERIFF'S DEPT	TRAINING TUITION & GIL	334709	4/10/18	456.00



**WARRANT REGISTER #41
4/10/2018**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
RIVERSIDE SHERIFF'S DEPT	TRAINING TUITION DISP UPD/MOSS	334710	4/10/18	114.00
SAM'S ALIGNMENT	WHEEL ALIGNMENT CITY VEHICLES FY 2018	334711	4/10/18	320.32
SAN DIEGO COUNTY ASSESSOR	SD COUNTY RECORDER REPORTS	334712	4/10/18	16.10
SDG&E	FACILITIES DIVISION GAS & ELECTRIC UTILITIES	334713	4/10/18	16,357.69
SITEONE LANDSCAPE SUPPLY LLC	69277 LANDSCAPE SUPPLIES PW	334714	4/10/18	925.38
SMART & FINAL	MOP 45756. SNACKS FOR CASA DE SALUD / CSD	334715	4/10/18	73.84
SOUTHERN CALIF TRUCK STOP	MOP 45758 AUTO SUPPLIES PW	334716	4/10/18	74.61
STAPLES BUSINESS ADVANTAGE	MOP 45704.OFFICE SUPPLIES/ENG.	334717	4/10/18	1,745.55
STOUT, Z	MEDIC FEES REIMBURSEMENT	334718	4/10/18	242.50
SWEETWATER AUTHORITY	FACILITIES DIVISION WATER BILL FY 2018	334719	4/10/18	11,652.68
TSC GROUP INC	LEASE, STATION #33	334720	4/10/18	2,302.78
U S BANK	CREDIT CARD CHARGES / FIRE	334721	4/10/18	4,876.77
UNITED ROTARY BRUSH CORP	STREET SWEEPER REPAIRS FY 2018	334722	4/10/18	545.04
VERIZON WIRELESS	VERIZON CELLULAR SERVICE MARCH 2018	334723	4/10/18	10,447.29
WAXIE SANITARY SUPPLY	JANITORIAL SUPPLIES / FIRE	334724	4/10/18	587.75
WAXIE SANITARY SUPPLY	MISCELLANEOUS JANITORIAL SUPPLIES / PW	334725	4/10/18	5,443.93
WESTFLEX INDUSTRIAL	MOP 63850 AUTO SUPPLIES PW	334726	4/10/18	14.14
WETMORES	MOP 80333 AUTO SUPPLIES PW	334727	4/10/18	473.56
WILLY'S ELECTRONIC SUPPLY	MOP #45763/ELECTRONIC SUPPLIES/MIS	334728	4/10/18	708.03
YBARRA, A	TRAINING ADV LOD TASER RE/CER -PD	334729	4/10/18	174.73
ZUMAR INDUSTRIES INC	SPEED LIMIT SIGNS - ENG-PW	334730	4/10/18	462.25

A/P Total 668,227.74

WIRED PAYMENTS

PUBLIC EMP RETIREMENT SYSTEM	SERVICE PERIOD 03/13/18 - 03/26/18	40518	4/5/18	230,002.94
ADMINSURE INC	WC ACCOUNT REPLENISHMENT / MARCH 2018	221277	4/10/18	79,253.26
ARCO BUSINESS SOLUTIONS	FUEL FOR CITY FLEET / PW	221304	4/10/18	31,467.12

PAYROLL

Pay period	Start Date	End Date	Check Date	
8	3/27/2018	4/9/2018	4/18/2018	1,056,829.03

GRAND TOTAL

\$ 2,065,780.09

Certification

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

MARK ROBERTS, FINANCE

LESLIE DEESE, CITY MANAGER

FINANCE COMMITTEE

RONALD J. MORRISON, MAYOR-CHAIRMAN

ALBERT MENDIVIL, VICE-MAYOR

ALEJANDRA SOTELO-SOLIS, MEMBER

MONA RIOS, MEMBER

JERRY CANO, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 15th OF MAY, 2018.

AYES_____

NAYS_____

ABSENT_____

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the purchase of real property located at 1430 Hoover Avenue, in order to provide interim secure storage for Police Department oversized vehicles and trailers, for a total sales price

CITY OF NATIONAL CITY, CALIFORNIA COUNCIL AGENDA STATEMENT

MEETING DATE: May 15, 2018

AGENDA ITEM NO. |

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the purchase of real property located at 1430 Hoover Avenue, in order to provide interim secure storage for Police Department oversized vehicles and trailers, for a total sales price of \$973,350 and the payment of closing costs not to exceed \$10,000 and \$100,000 for tenant improvements.

PREPARED BY: Gregory Rose, Property Agent

DEPARTMENT: Housing & Economic Development

PHONE: 619.336.4266

APPROVED BY:

EXPLANATION:

The Police Department is seeking a location to securely store their Mobile Command Vehicle, SWAT armored vehicle, traffic radar trailers, DUI trailer, Crisis Negotiations trailer, undercover van, some SUVs and motorcycles. A defensive tactic training area will be set up in the building. The department's riot gear will also be stored in the building. The building will be used by the Police Department on an interim basis, then converted to a mixed-use development. The building will need modification made to it including having the bathroom made ADA compliant, installing an overhead sprinkler system and having an unpermitted office addition brought into compliance.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

Approval of the property transfer is not a "Project" under section 15378 of the California Environmental Quality Act ("CEQA") guidelines because the proposed action consists of an administrative activity that will not result in direct or indirect physical changes to the environment.

ORDINANCE: ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Adopt the Resolution.

BOARD / COMMISSION RECOMMENDATION:

n/a

ATTACHMENTS:

1. Purchase and Sales Agreement
2. Sales Brochure
3. Property Appraisal
4. Resolution



STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS
FOR PURCHASE OF REAL ESTATE
(Non-Residential)

Dated: April 19, 2018

1. Buyer.

1.1 The City of National City or Assignee ("Buyer") hereby offers to purchase the real property, hereinafter described, from the owner thereof ("Seller") (collectively, the "Parties" or individually, a "Party"), through an escrow ("Escrow") to close 30 or 10 days after the waiver or expiration of the Buyer's Contingencies, ("Expected Closing Date") to be held by Chicago Title Company ("Escrow Holder") whose address is 2365 Northside Drive, #600, San Diego, CA 92108, Phone No. (619) 209-3485, Facsimile No. (619) 209-3489 upon the terms and conditions set forth in this agreement ("Agreement"). Buyer shall have the right to assign Buyer's rights hereunder, but any such assignment shall not relieve Buyer of Buyer's obligations herein unless Seller expressly releases Buyer.

1.2 The term "Date of Agreement" as used herein shall be the date when by execution and delivery (as defined in paragraph 20.2) of this document or a subsequent counteroffer thereto, Buyer and Seller have reached agreement in writing whereby Seller agrees to sell, and Buyer agrees to purchase, the Property upon terms accepted by both Parties.

2. Property.

2.1 The real property ("Property") that is the subject of this offer consists of (insert a brief physical description) an approximate 6,400 square foot warehouse situated on a .18 AC lot is located in the County of San Diego, is commonly known as (street address, city, state, zip) 1430 Hoover Avenue, National City, CA 91950 and is legally described as: to be followed through escrow (APN: 560-061-15).

2.2 If the legal description of the Property is not complete or is inaccurate, this Agreement shall not be invalid and the legal description shall be completed or corrected to meet the requirements of Chicago Title ("Title Company"), which shall issue the title policy hereinafter described.

2.3 The Property includes, at no additional cost to Buyer, the permanent improvements thereon, including those items which pursuant to applicable law are a part of the property, as well as the following items, if any, owned by Seller and at present located on the Property: electrical distribution systems (power panel, bus ducting, conduits, disconnects, lighting fixtures); telephone distribution systems (lines, jacks and connections only); space heaters; heating, ventilating, air conditioning equipment ("HVAC"); air lines; fire sprinkler systems; security and fire detection systems; carpets; window coverings; wall coverings; and (collectively, the "Improvements").

2.4 The fire sprinkler monitor: is owned by Seller and included in the Purchase Price, is leased by Seller, and Buyer will need to negotiate a new lease with the fire monitoring company, ownership will be determined during Escrow, or there is no fire sprinkler monitor.

2.5 Except as provided in Paragraph 2.3, the Purchase Price does not include Seller's personal property, furniture and furnishings, and all of which shall be removed by Seller prior to Closing.

3. Purchase Price.

3.1 The purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be \$945,000, payable as follows:
(Strike any not applicable)

- (a) Cash down payment, including the Deposit as defined in paragraph 4.3 (or if an all cash transaction, the Purchase Price): \$945,000
- (b) Amount of "New Loan" as defined in paragraph 5.1, if any:
- (c) Buyer shall take title to the Property subject to and/or assume the following existing deed of trust ("Existing Deed(s) of Trust") securing the existing promissory note(s) ("Existing Note(s)");
- (i) An Existing Note ("First Note") with an unpaid principal balance as of the Closing of approximately:
- Said First Note is payable at per month, including interest at the rate of % per annum until paid (and/or the entire unpaid balance is due on -
- (ii) An Existing Note ("Second Note") with an unpaid principal balance as of the Closing of approximately:
- Said Second Note is payable at per month, including interest at the rate of % per annum until paid (and/or the entire unpaid balance is due on -
- (d) Buyer shall give Seller a deed of trust ("Purchase Money Deed of Trust") on the property, to secure the promissory note of Buyer to Seller described in paragraph 6 ("Purchase Money Note") in the amount of:
- Total Purchase Price: \$945,000

3.2 If Buyer is taking title to the Property subject to, or assuming, an Existing Deed of Trust and such deed of trust permits the beneficiary to demand payment of fees including, but not limited to, points, processing fees, and appraisal fees as a condition to the transfer of the Property, Buyer agrees to pay such fees up to a maximum of 1.5% of the unpaid principal balance of the applicable Existing Note.

4. Deposits.

4.1 Buyer has delivered to Broker a check in the sum of, payable to Escrow Holder, to be delivered by Broker to Escrow Holder within 2 or business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder, or within 2 or business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder Buyer shall deliver to Escrow Holder a check in the sum of \$30,000. If said check is not received by Escrow Holder within said time period then Seller may elect to unilaterally terminate this transaction by giving written notice of such election to Escrow Holder whereupon neither Party shall have any further liability to the other under this Agreement. Should Buyer and Seller not enter into an agreement for purchase and sale, Buyer's check or funds shall, upon request by Buyer, be promptly returned to Buyer.

- 4.2 Additional deposits:
- (a) Within 5 business days after the Date of Agreement, Buyer shall deposit with Escrow Holder the additional sum of to be applied to the Purchase Price at the Closing.
- (b) Within 5 business days after the contingencies discussed in paragraph 9.1 (a) through (m) are approved or waived, Buyer shall deposit with Escrow Holder the additional sum of to be applied to the Purchase Price at the Closing.
- (c) If an Additional Deposit is not received by Escrow Holder within the time period provided then Seller may notify Buyer, Escrow Holder, and Brokers, in writing that, unless the Additional Deposit is received by Escrow Holder within 2 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

4.3 Escrow Holder shall deposit the funds deposited with it by Buyer pursuant to paragraphs 4.1 and 4.2 (collectively the "Deposit"), in a State or Federally chartered bank in an interest bearing account whose term is appropriate and consistent with the timing requirements of this transaction. The interest therefrom shall accrue to the benefit of Buyer, who hereby acknowledges that there may be penalties or interest forfeitures if the applicable instrument is redeemed prior to its specified maturity. Buyer's Federal Tax Identification Number is. NOTE: Such interest bearing account cannot be opened until Buyer's Federal Tax

Identification Number is provided.

~~4.4 Notwithstanding the foregoing, within 5 days after Escrow Holder receives the monies described in paragraph 4.1 above, Escrow Holder shall release \$100 of said monies to Seller as and for independent consideration for Seller's execution of this Agreement and the granting of the contingency period to Buyer as herein provided. Such independent consideration is non-refundable to Buyer but shall be credited to the Purchase Price in the event that the purchase of the Property is completed.~~

~~4.5 Upon waiver of all of Buyer's contingencies the Deposit shall become non-refundable but applicable to the Purchase Price except in the event of a Seller breach, or in the event that the Escrow is terminated pursuant to the provisions of Paragraph 9.1(n) (Destruction, Damage or Loss) or 9.1(o) (Material Change).~~

~~5. Financing Contingency. (Strike if not applicable)~~

~~5.1 This offer is contingent upon Buyer obtaining from an insurance company, financial institution or other lender, a commitment to lend to Buyer a sum equal to at least _____% of the Purchase Price, on terms reasonably acceptable to Buyer. Such loan ("New Loan") shall be secured by a first deed of trust or mortgage on the Property. If this Agreement provides for Seller to carry back junior financing, then Seller shall have the right to approve the terms of the New Loan. Seller shall have 7 days from receipt of the commitment setting forth the proposed terms of the New Loan to approve or disapprove of such proposed terms. If Seller fails to notify Escrow Holder, in writing, of the disapproval within said 7 days it shall be conclusively presumed that Seller has approved the terms of the New Loan.~~

~~5.2 Buyer hereby agrees to diligently pursue obtaining the New Loan. If Buyer shall fail to notify its Broker, Escrow Holder and Seller, in writing within _____ days following the Date of Agreement, that the New Loan has not been obtained, it shall be conclusively presumed that Buyer has either obtained said New Loan or has waived this New Loan contingency.~~

~~5.3 If, after due diligence, Buyer shall notify its Broker, Escrow Holder and Seller, in writing, within the time specified in paragraph 5.2 hereof, that Buyer has not obtained said New Loan, this Agreement shall be terminated, and Buyer shall be entitled to the prompt return of the Deposit, plus any interest earned thereon, less only Escrow Holder and Title Company cancellation fees and costs, which Buyer shall pay.~~

~~6. Seller Financing. (Purchase Money Note). (Strike if not applicable)~~

~~6.1 If Seller approves Buyer's financials (see paragraph 6.5) the Purchase Money Note shall provide for interest on unpaid principal at the rate of _____% per annum, with principal and interest paid as follows: _____. The Purchase Money Note and Purchase Money Deed of Trust shall be on the current forms commonly used by Escrow Holder, and be junior and subordinate only to the Existing Note(s) and/or the New Loan expressly called for by this Agreement.~~

~~6.2 The Purchase Money Note and/or the Purchase Money Deed of Trust shall contain provisions regarding the following (see also paragraph 10.3 (b)):~~
~~(a) Prepayment. Principal may be prepaid in whole or in part at any time without penalty, at the option of the Buyer.~~
~~(b) Late Charge. A late charge of 6% shall be payable with respect to any payment of principal, interest, or other charges, not made within 10 days after it is due.~~

~~(c) Due On Sale. In the event the Buyer sells or transfers title to the Property or any portion thereof, then the Seller may, at Seller's option, require the entire unpaid balance of said Note to be paid in full.~~

~~6.3 If the Purchase Money Deed of Trust is to be subordinate to other financing, Escrow Holder shall, at Buyer's expense prepare and record on Seller's behalf a request for notice of default and/or sale with regard to each mortgage or deed of trust to which it will be subordinate.~~

~~6.4 WARNING: CALIFORNIA LAW DOES NOT ALLOW DEFICIENCY JUDGEMENTS ON SELLER FINANCING. IF BUYER ULTIMATELY DEFAULTS ON THE LOAN, SELLER'S SOLE REMEDY IS TO FORECLOSE ON THE PROPERTY.~~

~~6.5 Seller's obligation to provide financing is contingent upon Seller's reasonable approval of Buyer's financial condition. Buyer to provide a current financial statement and copies of its Federal tax returns for the last 3 years to Seller within 10 days following the Date of Agreement. Seller has 10 days following receipt of such documentation to satisfy itself with regard to Buyer's financial condition and to notify Escrow Holder as to whether or not Buyer's financial condition is acceptable. If Seller fails to notify Escrow Holder, in writing, of the disapproval of this contingency within said time period, it shall be conclusively presumed that Seller has approved Buyer's financial condition. If Seller is not satisfied with Buyer's financial condition or if Buyer fails to deliver the required documentation then Seller may notify Escrow Holder in writing that Seller Financing will not be available, and Buyer shall have the option, within 10 days of the receipt of such notice, to either terminate this transaction or to purchase the Property without Seller financing. If Buyer fails to notify Escrow Holder within said time period of its election to terminate this transaction then Buyer shall be conclusively presumed to have elected to purchase the Property without Seller financing. If Buyer elects to terminate, Buyer's Deposit shall be refunded less Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation.~~

7. Real Estate Brokers.

7.1 The following real estate broker(s) ("Brokers") and brokerage relationships exist in this transaction and are consented to by the Parties (check the applicable boxes):

- ☐ _____ represents Seller exclusively ("Seller's Broker");
- ☐ _____ represents Buyer exclusively ("Buyer's Broker"); or
- ☒ Colliers International of CA, Inc. represents both Seller and Buyer ("Dual Agency").

The Parties acknowledge that other than the Brokers listed above, there are no other brokers representing the Parties or due any fees and/or commissions under this Agreement. See paragraph 24 regarding the nature of a real estate agency relationship. Buyer shall use the services of Buyer's Broker exclusively in connection with any and all negotiations and offers with respect to the Property for a period of 1 year from the date inserted for reference purposes at the top of page 1.

7.2 Buyer and Seller each represent and warrant to the other that he/she/it has had no dealings with any person, firm, broker or finder in connection with the negotiation of this Agreement and/or the consummation of the purchase and sale contemplated herein, other than the Brokers named in paragraph 7.1, and no broker or other person, firm or entity, other than said Brokers is/are entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of such Party. Buyer and Seller do each hereby agree to indemnify, defend, protect and hold the other harmless from and against any costs, expenses or liability for compensation, commission or charges which may be claimed by any broker, finder or other similar party, other than said named Brokers by reason of any dealings or act of the indemnifying Party.

8. Escrow and Closing.

8.1 Upon acceptance hereof by Seller, this Agreement, including any counteroffers incorporated herein by the Parties, shall constitute not only the agreement of purchase and sale between Buyer and Seller, but also instructions to Escrow Holder for the consummation of the Agreement through the Escrow. Escrow Holder shall not prepare any further escrow instructions restating or amending the Agreement unless specifically so instructed by the Parties or a Broker herein. Subject to the reasonable approval of the Parties, Escrow Holder may, however, include its standard general escrow provisions. In the event that there is any conflict between the provisions of the Agreement and the provisions of any additional escrow instructions the provisions of the Agreement shall prevail as to the Parties and the Escrow Holder.

8.2 As soon as practical after the receipt of this Agreement and any relevant counteroffers, Escrow Holder shall ascertain the Date of Agreement as defined in paragraphs 1.2 and 20.2 and advise the Parties and Brokers, in writing, of the date ascertained.

8.3 Escrow Holder is hereby authorized and instructed to conduct the Escrow in accordance with this Agreement, applicable law and custom and practice of the community in which Escrow Holder is located, including any reporting requirements of the Internal Revenue Code. In the event of a conflict between the law of the state where the Property is located and the law of the state where the Escrow Holder is located, the law of the state where the Property is located shall prevail.

8.4 Subject to satisfaction of the contingencies herein described, Escrow Holder shall close this escrow (the "Closing") by recording a general warranty deed (a grant deed in California) and the other documents required to be recorded, and by disbursing the funds and documents in accordance with this Agreement.

8.5 Buyer and Seller shall each pay one-half of the Escrow Holder's charges and Seller shall pay the usual recording fees and any required documentary transfer taxes. Seller shall pay the premium for a standard coverage owner's or joint protection policy of title insurance. (See also paragraph 11.)

8.6 Escrow Holder shall verify that all of Buyer's contingencies have been satisfied or waived prior to Closing. The matters contained in paragraphs 9.1 subparagraphs (b), (c), (d), (e), (g), (i), (n), and (o), 9.4, 12, 13, 14, 16, 18, 20, 21, 22, and 24 are, however, matters of agreement between the Parties only and are not instructions to Escrow Holder.

8.7 If this transaction is terminated for non-satisfaction and non-waiver of a Buyer's Contingency, as defined in paragraph 9.2, then neither of the Parties shall thereafter have any liability to the other under this Agreement, except to the extent of a breach of any affirmative covenant or warranty in this Agreement. In the event of such termination, Buyer shall, subject to the provisions of paragraph 8.10, be promptly refunded all funds deposited by Buyer with Escrow Holder, less only the \$100 provided for in paragraph 4.4 and the Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation. If this transaction is terminated as a result of Seller's breach of this Agreement then Seller shall pay the Title Company and Escrow Holder cancellation fees and costs.

8.8 The Closing shall occur on the Expected Closing Date, or as soon thereafter as the Escrow is in condition for Closing; provided, however, that if the Closing does not occur by the Expected Closing Date and said Date is not extended by mutual instructions of the Parties, a Party not then in default under this Agreement may notify the other Party, Escrow Holder, and Brokers, in writing that, unless the Closing occurs within 5 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

8.9 Except as otherwise provided herein, the termination of Escrow shall not relieve or release either Party from any obligation to pay Escrow Holder's fees and

costs or constitute a waiver, release or discharge of any breach or default that has occurred in the performance of the obligations, agreements, covenants or warranties contained therein.

8.10 If this sale of the Property is not consummated for any reason other than Seller's breach or default, then at Seller's request, and as a condition to any obligation to return Buyer's deposit (see paragraph 21), Buyer shall within 5 days after written request deliver to Seller, at no charge, copies of all surveys, engineering studies, soil reports, maps, master plans, feasibility studies and other similar items prepared by or for Buyer that pertain to the Property. Provided, however, that Buyer shall not be required to deliver any such report if the written contract which Buyer entered into with the consultant who prepared such report specifically forbids the dissemination of the report to others.

9. Contingencies to Closing.

9.1 The Closing of this transaction is contingent upon the satisfaction or waiver of the following contingencies. **IF BUYER FAILS TO NOTIFY ESCROW HOLDER, IN WRITING, OF THE DISAPPROVAL OF ANY OF SAID CONTINGENCIES WITHIN THE TIME SPECIFIED THEREIN, IT SHALL BE CONCLUSIVELY PRESUMED THAT BUYER HAS APPROVED SUCH ITEM, MATTER OR DOCUMENT.** Buyer's conditional approval shall constitute disapproval, unless provision is made by the Seller within the time specified therefore by the Buyer in such conditional approval or by this Agreement, whichever is later, for the satisfaction of the condition imposed by the Buyer. Escrow Holder shall promptly provide all Parties with copies of any written disapproval or conditional approval which it receives. With regard to subparagraphs (a) through (m) the pre-printed time periods shall control unless a different number of days is inserted in the spaces provided.

(a) *Disclosure.* Seller shall make to Buyer, through Escrow, all of the applicable disclosures required by law (See AIR CRE ("**AIR**") standard form entitled "Seller's Mandatory Disclosure Statement") and provide Buyer with a completed Property Information Sheet ("**Property Information Sheet**") concerning the Property, duly executed by or on behalf of Seller in the current form or equivalent to that published by the AIR within 10 ~~or~~ _____ days following the Date of Agreement. Buyer has 10 days from the receipt of said disclosures to approve or disapprove the matters disclosed.

(b) *Physical Inspection.* Buyer has ~~10 or~~ 30 days following the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the physical aspects and size of the Property.

(c) *Hazardous Substance Conditions Report.* Buyer has 30 ~~or~~ _____ days following the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the environmental aspects of the Property. Seller recommends that Buyer obtain a Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties. Any such report shall be paid for by Buyer. A "**Hazardous Substance**" for purposes of this Agreement is defined as any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare. A "**Hazardous Substance Condition**" for purposes of this Agreement is defined as the existence on, under or relevantly adjacent to the Property of a Hazardous Substance that would require remediation and/or removal under applicable Federal, state or local law.

(d) *Soil Inspection.* Buyer has 30 ~~or~~ _____ days from the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the condition of the soils on the Property. Seller recommends that Buyer obtain a soil test report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any soils report that Seller may have within 10 days following the Date of Agreement.

(e) *Governmental Approvals.* Buyer has 30 ~~or~~ _____ days following the Date of Agreement to satisfy itself with regard to approvals and permits from governmental agencies or departments which have or may have jurisdiction over the Property and which Buyer deems necessary or desirable in connection with its intended use of the Property, including, but not limited to, permits and approvals required with respect to zoning, planning, building and safety, fire, police, handicapped and Americans with Disabilities Act requirements, transportation and environmental matters.

(f) *Conditions of Title.* Escrow Holder shall cause a current commitment for title insurance ("**Title Commitment**") concerning the Property issued by the Title Company, as well as legible copies of all documents referred to in the Title Commitment ("**Underlying Documents**"), and a scaled and dimensioned plot showing the location of any easements to be delivered to Buyer within 10 ~~or~~ _____ days following the Date of Agreement. Buyer has 10 days from the receipt of the Title Commitment, the Underlying Documents and the plot plan to satisfy itself with regard to the condition of title. The disapproval by Buyer of any monetary encumbrance, which by the terms of this Agreement is not to remain against the Property after the Closing, shall not be considered a failure of this contingency, as Seller shall have the obligation, at Seller's expense, to satisfy and remove such disapproved monetary encumbrance at or before the Closing.

(g) *Survey.* Buyer has 30 ~~or~~ _____ days following the receipt of the Title Commitment and Underlying Documents to satisfy itself with regard to any ALTA title supplement based upon a survey prepared to American Land Title Association ("**ALTA**") standards for an owner's policy by a licensed surveyor, showing the legal description and boundary lines of the Property, any easements of record, and any improvements, poles, structures and things located within 10 feet of either side of the Property boundary lines. Any such survey shall be prepared at Buyer's direction and expense. If Buyer has obtained a survey and approved the ALTA title supplement, Buyer may elect within the period allowed for Buyer's approval of a survey to have an ALTA extended coverage owner's form of title policy, in which event Buyer shall pay any additional premium attributable thereto.

(h) *Existing Leases and Tenancy Statements.* Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide both Buyer and Escrow Holder with legible copies of all leases, subleases or rental arrangements (collectively, "**Existing Leases**") affecting the Property, and with a tenancy statement ("**Estoppel Certificate**") in the latest form or equivalent to that published by the AIR, executed by Seller and/or each tenant and subtenant of the Property. Seller shall use its best efforts to have each tenant complete and execute an Estoppel Certificate. If any tenant fails or refuses to provide an Estoppel Certificate then Seller shall complete and execute an Estoppel Certificate for that tenancy. Buyer has 10 days from the receipt of said Existing Leases and Estoppel Certificates to satisfy itself with regard to the Existing Leases and any other tenancy issues.

(i) *Owner's Association.* Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide Buyer with a statement and transfer package from any owner's association servicing the Property. Such transfer package shall at a minimum include: copies of the association's bylaws, articles of incorporation, current budget and financial statement. Buyer has 10 days from the receipt of such documents to satisfy itself with regard to the association.

(j) *Other Agreements.* Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide Buyer with legible copies of all other agreements ("**Other Agreements**") known to Seller that will affect the Property after Closing. Buyer has 10 days from the receipt of said Other Agreements to satisfy itself with regard to such Agreements.

(k) *Financing.* If paragraph 5 hereof dealing with a financing contingency has not been stricken, the satisfaction or waiver of such New Loan contingency.

~~(l) *Existing Notes.* If paragraph 3.1(c) has not been stricken, Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with legible copies of the Existing Notes, Existing Deeds of Trust and related agreements (collectively, "**Loan Documents**") to which the Property will remain subject after the Closing. Escrow Holder shall promptly request from the holders of the Existing Notes a beneficiary statement ("**Beneficiary Statement**") confirming: (1) the amount of the unpaid principal balance, the current interest rate, and the date to which interest is paid, and (2) the nature and amount of any impounds held by the beneficiary in connection with such loan. Buyer has 10 or _____ days following the receipt of the Loan Documents and Beneficiary Statements to satisfy itself with regard to such financing. Buyer's obligation to close is conditioned upon Buyer being able to purchase the Property without acceleration or change in the terms of any Existing Notes or charges to Buyer except as otherwise provided in this Agreement or approved by Buyer, provided, however, Buyer shall pay the transfer fee referred to in paragraph 3.2 hereof. Likewise if Seller is to carry back a Purchase Money Note then Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with a copy of the proposed Purchase Money Note and Purchase Money Deed of Trust. Buyer has 10 or _____ days from the receipt of such documents to satisfy itself with regard to the form and content thereof.~~

(m) *Personal Property.* In the event that any personal property is included in the Purchase Price, Buyer has 10 ~~or~~ _____ days following the Date of Agreement to satisfy itself with regard to the title condition of such personal property. Seller recommends that Buyer obtain a UCC-1 report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any liens or encumbrances affecting such personal property that it is aware of within 10 ~~or~~ _____ days following the Date of Agreement.

(n) *Destruction, Damage or Loss.* Subsequent to the Date of Agreement and prior to Closing there shall not have occurred a destruction of, or damage or loss to, the Property or any portion thereof, from any cause whatsoever, which would cost more than \$10,000.00 to repair or cure. If the cost of repair or cure is \$10,000.00 or less, Seller shall repair or cure the loss prior to the Closing. Buyer shall have the option, within 10 days after receipt of written notice of a loss costing more than \$10,000.00 to repair or cure, to either terminate this Agreement or to purchase the Property notwithstanding such loss, but without deduction or offset against the Purchase Price. If the cost to repair or cure is more than \$10,000.00, and Buyer does not elect to terminate this Agreement, Buyer shall be entitled to any insurance proceeds applicable to such loss. Unless otherwise notified in writing, Escrow Holder shall assume no such destruction, damage or loss has occurred prior to Closing.

(o) *Material Change.* Buyer shall have 10 days following receipt of written notice of a Material Change within which to satisfy itself with regard to such change. "**Material Change**" shall mean a substantial adverse change in the use, occupancy, tenants, title, or condition of the Property that occurs after the date of this offer and prior to the Closing. Unless otherwise notified in writing, Escrow Holder shall assume that no Material Change has occurred prior to the Closing.

(p) *Seller Performance.* The delivery of all documents and the due performance by Seller of each and every undertaking and agreement to be performed by Seller under this Agreement.

(q) *Brokerage Fee.* Payment at the Closing of such brokerage fee as is specified in this Agreement or later written instructions to Escrow Holder executed by Seller and Brokers ("**Brokerage Fee**"). It is agreed by the Parties and Escrow Holder that Brokers are a third party beneficiary of this Agreement insofar as the

Brokerage Fee is concerned, and that no change shall be made with respect to the payment of the Brokerage Fee specified in this Agreement, without the written consent of Brokers.

9.2 All of the contingencies specified in subparagraphs (a) through (m) of paragraph 9.1 are for the benefit of, and may be waived by, Buyer, and may be elsewhere herein referred to as "**Buyer's Contingencies**."

9.3 If any of Buyer's Contingencies or any other matter subject to Buyer's approval is disapproved as provided for herein in a timely manner ("**Disapproved Item**"), Seller shall have the right within 10 days following the receipt of notice of Buyer's disapproval to elect to cure such Disapproved Item prior to the Expected Closing Date ("**Seller's Election**"). Seller's failure to give to Buyer within such period, written notice of Seller's commitment to cure such Disapproved Item on or before the Expected Closing Date shall be conclusively presumed to be Seller's Election not to cure such Disapproved Item. If Seller elects, either by written notice or failure to give written notice, not to cure a Disapproved Item, Buyer shall have the right, within 10 days after Seller's Election to either accept title to the Property subject to such Disapproved Item, or to terminate this Agreement. Buyer's failure to notify Seller in writing of Buyer's election to accept title to the Property subject to the Disapproved Item without deduction or offset shall constitute Buyer's election to terminate this Agreement. The above time periods only apply once for each Disapproved Item. Unless expressly provided otherwise herein, Seller's right to cure shall not apply to the remediation of Hazardous Substance Conditions or to the Financing Contingency. Unless the Parties mutually instruct otherwise, if the time periods for the satisfaction of contingencies or for Seller's and Buyer's elections would expire on a date after the Expected Closing Date, the Expected Closing Date shall be deemed extended for 3 business days following the expiration of: (a) the applicable contingency period(s), (b) the period within which the Seller may elect to cure the Disapproved Item, or (c) if Seller elects not to cure, the period within which Buyer may elect to proceed with this transaction, whichever is later.

9.4 The Parties acknowledge that extensive local, state and Federal legislation establish broad liability upon owners and/or users of real property for the investigation and remediation of Hazardous Substances. The determination of the existence of a Hazardous Substance Condition and the evaluation of the impact of such a condition are highly technical and beyond the expertise of Brokers. The Parties acknowledge that they have been advised by Brokers to consult their own technical and legal experts with respect to the possible presence of Hazardous Substances on the Property or adjoining properties, and Buyer and Seller are not relying upon any investigation by or statement of Brokers with respect thereto. The Parties hereby assume all responsibility for the impact of such Hazardous Substances upon their respective interests herein.

10. Documents Required at or Before Closing.

10.1 Five days prior to the Closing date Escrow Holder shall obtain an updated Title Commitment concerning the Property from the Title Company and provide copies thereof to each of the Parties.

- 10.2 Seller shall deliver to Escrow Holder in time for delivery to Buyer at the Closing:
- (a) Grant or general warranty deed, duly executed and in recordable form, conveying fee title to the Property to Buyer.
 - (b) If applicable, the Beneficiary Statements concerning Existing Note(s).
 - (c) If applicable, the Existing Leases and Other Agreements together with duly executed assignments thereof by Seller and Buyer. The assignment of Existing Leases shall be on the most recent Assignment and Assumption of Lessor's Interest in Lease form published by the AIR or its equivalent.
 - (d) If applicable, Estoppel Certificates executed by Seller and/or the tenant(s) of the Property.
 - (e) An affidavit executed by Seller to the effect that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Internal Revenue Service such sum as is required by applicable Federal law with respect to purchases from foreign sellers.
 - (f) If the Property is located in California, an affidavit executed by Seller to the effect that Seller is not a "nonresident" within the meaning of California Revenue and Tax Code Section 18662 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Franchise Tax Board such sum as is required by such statute.
 - (g) If applicable, a bill of sale, duly executed, conveying title to any included personal property to Buyer.
 - (h) If the Seller is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the sale of the Property.

- 10.3 Buyer shall deliver to Seller through Escrow:
- (a) The cash portion of the Purchase Price and such additional sums as are required of Buyer under this Agreement shall be deposited by Buyer with Escrow Holder, by federal funds wire transfer, or any other method acceptable to Escrow Holder in immediately collectable funds, no later than 2:00 P.M. on the business day prior to the Expected Closing Date provided, however, that Buyer shall not be required to deposit such monies into Escrow if at the time set for the deposit of such monies Seller is in default or has indicated that it will not perform any of its obligations hereunder. Instead, in such circumstances in order to reserve its rights to proceed Buyer need only provide Escrow with evidence establishing that the required monies were available.
 - (b) If a Purchase Money Note and Purchase Money Deed of Trust are called for by this Agreement, the duly executed originals of those documents, the Purchase Money Deed of Trust being in recordable form, together with evidence of fire insurance on the improvements in the amount of the full replacement cost naming Seller as a mortgage loss payee, and a real estate tax service contract (at Buyer's expense), assuring Seller of notice of the status of payment of real property taxes during the life of the Purchase Money Note.
 - (c) The Assignment and Assumption of Lessor's Interest in Lease form specified in paragraph 10.2(c) above, duly executed by Buyer.
 - (d) Assumptions duly executed by Buyer of the obligations of Seller that accrue after Closing under any Other Agreements.
 - (e) If applicable, a written assumption duly executed by Buyer of the loan documents with respect to Existing Notes.
 - (f) If the Buyer is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the purchase of the Property.

10.4 At Closing, Escrow Holder shall cause to be issued to Buyer a standard coverage (or ALTA extended, if elected pursuant to 9.1(g)) owner's form policy of title insurance effective as of the Closing, issued by the Title Company in the full amount of the Purchase Price, insuring title to the Property vested in Buyer, subject only to the exceptions approved by Buyer. In the event there is a Purchase Money Deed of Trust in this transaction, the policy of title insurance shall be a joint protection policy insuring both Buyer and Seller.

IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

11. Prorations and Adjustments.

11.1 *Taxes.* Applicable real property taxes and special assessment bonds shall be prorated through Escrow as of the date of the Closing, based upon the latest tax bill available. The Parties agree to prorate as of the Closing any taxes assessed against the Property by supplemental bill levied by reason of events occurring prior to the Closing. Payment of the prorated amount shall be made promptly in cash upon receipt of a copy of any supplemental bill.

11.2 *Insurance.* **WARNING:** Any insurance which Seller may have maintained will terminate on the Closing. Buyer is advised to obtain appropriate insurance to cover the Property.

11.3 *Rentals, Interest and Expenses.* Scheduled rentals, interest on Existing Notes, utilities, and operating expenses shall be prorated as of the date of Closing. The Parties agree to promptly adjust between themselves outside of Escrow any rents received after the Closing.

11.4 *Security Deposit.* Security Deposits held by Seller shall be given to Buyer as a credit to the cash required of Buyer at the Closing.

11.5 *Post Closing Matters.* Any item to be prorated that is not determined or determinable at the Closing shall be promptly adjusted by the Parties by appropriate cash payment outside of the Escrow when the amount due is determined.

11.6 *Variations in Existing Note Balances.* In the event that Buyer is purchasing the Property subject to an Existing Deed of Trust(s), and in the event that a Beneficiary Statement as to the applicable Existing Note(s) discloses that the unpaid principal balance of such Existing Note(s) at the closing will be more or less than the amount set forth in paragraph 3.1(c) hereof ("**Existing Note Variation**"), then the Purchase Money Note(s) shall be reduced or increased by an amount equal to such Existing Note Variation. If there is to be no Purchase Money Note, the cash required at the Closing per paragraph 3.1(a) shall be reduced or increased by the amount of such Existing Note Variation.

11.7 *Variations in New Loan Balance.* In the event Buyer is obtaining a New Loan and the amount ultimately obtained exceeds the amount set forth in paragraph 5.1, then the amount of the Purchase Money Note, if any, shall be reduced by the amount of such excess.

11.8 *Owner's Association Fees.* Escrow Holder shall: (i) bring Seller's account with the association current and pay any delinquencies or transfer fees from Seller's proceeds, and (ii) pay any up front fees required by the association from Buyer's funds.

12. Representations and Warranties of Seller and Disclaimers.

12.1 Seller's warranties and representations shall survive the Closing and delivery of the deed for a period of 3 years, and any lawsuit or action based upon them must be commenced within such time period. Seller's warranties and representations are true, material and relied upon by Buyer and Brokers in all respects. Seller hereby makes the following warranties and representations to Buyer and Brokers:

- (a) *Authority of Seller.* Seller is the owner of the Property and/or has the full right, power and authority to sell, convey and transfer the Property to Buyer as provided herein, and to perform Seller's obligations hereunder.
- (b) *Maintenance During Escrow and Equipment Condition At Closing.* Except as otherwise provided in paragraph 9.1(n) hereof, Seller shall maintain the Property until the Closing in its present condition, ordinary wear and tear excepted.

- (c) *Hazardous Substances/Storage Tanks.* Seller has no knowledge, except as otherwise disclosed to Buyer in writing, of the existence or prior existence on the Property of any Hazardous Substance, nor of the existence or prior existence of any above or below ground storage tank.
- (d) *Compliance.* Seller has no knowledge of any aspect or condition of the Property which violates applicable laws, rules, regulations, codes or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable governmental agency or casualty insurance company requiring any investigation, remediation, repair, maintenance or improvement be performed on the Property.
- (e) *Changes in Agreements.* Prior to the Closing, Seller will not violate or modify any Existing Lease or Other Agreement, or create any new leases or other agreements affecting the Property, without Buyer's written approval, which approval will not be unreasonably withheld.
- (f) *Possessory Rights.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of the Property, except as disclosed by this Agreement or otherwise in writing to Buyer.
- (g) *Mechanics' Liens.* There are no unsatisfied mechanics' or materialmens' lien rights concerning the Property.
- (h) *Actions, Suits or Proceedings.* Seller has no knowledge of any actions, suits or proceedings pending or threatened before any commission, board, bureau, agency, arbitrator, court or tribunal that would affect the Property or the right to occupy or utilize same.
- (i) *Notice of Changes.* Seller will promptly notify Buyer and Brokers in writing of any Material Change (see paragraph 9.1(o)) affecting the Property that becomes known to Seller prior to the Closing.
- (j) *No Tenant Bankruptcy Proceedings.* Seller has no notice or knowledge that any tenant of the Property is the subject of a bankruptcy or insolvency proceeding.
- (k) *No Seller Bankruptcy Proceedings.* Seller is not the subject of a bankruptcy, insolvency or probate proceeding.
- (l) *Personal Property.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of any personal property included in the Purchase Price nor knowledge of any liens or encumbrances affecting such personal property, except as disclosed by this Agreement or otherwise in writing to Buyer.

12.2 Buyer hereby acknowledges that, except as otherwise stated in this Agreement, Buyer is purchasing the Property in its existing condition and will, by the time called for herein, make or have waived all inspections of the Property Buyer believes are necessary to protect its own interest in, and its contemplated use of, the Property. The Parties acknowledge that, except as otherwise stated in this Agreement, no representations, inducements, promises, agreements, assurances, oral or written, concerning the Property, or any aspect of the occupational safety and health laws, Hazardous Substance laws, or any other act, ordinance or law, have been made by either Party or Brokers, or relied upon by either Party hereto.

12.3 In the event that Buyer learns that a Seller representation or warranty might be untrue prior to the Closing, and Buyer elects to purchase the Property anyway then, and in that event, Buyer waives any right that it may have to bring an action or proceeding against Seller or Brokers regarding said representation or warranty.

12.4 Any environmental reports, soils reports, surveys, and other similar documents which were prepared by third party consultants and provided to Buyer by Seller or Seller's representatives, have been delivered as an accommodation to Buyer and without any representation or warranty as to the sufficiency, accuracy, completeness, and/or validity of said documents, all of which Buyer relies on at its own risk. Seller believes said documents to be accurate, but Buyer is advised to retain appropriate consultants to review said documents and investigate the Property.

13. Possession.

Possession of the Property shall be given to Buyer at the Closing subject to the rights of tenants under Existing Leases.

14. Buyer's Entry.

At any time during the Escrow period, Buyer, and its agents and representatives, shall have the right at reasonable times and subject to rights of tenants, to enter upon the Property for the purpose of making inspections and tests specified in this Agreement. No destructive testing shall be conducted, however, without Seller's prior approval which shall not be unreasonably withheld. Following any such entry or work, unless otherwise directed in writing by Seller, Buyer shall return the Property to the condition it was in prior to such entry or work, including the re-compaction or removal of any disrupted soil or material as Seller may reasonably direct. All such inspections and tests and any other work conducted or materials furnished with respect to the Property by or for Buyer shall be paid for by Buyer as and when due and Buyer shall indemnify, defend, protect and hold harmless Seller and the Property of and from any and all claims, liabilities, losses, expenses (including reasonable attorneys' fees), damages, including those for injury to person or property, arising out of or relating to any such work or materials or the acts or omissions of Buyer, its agents or employees in connection therewith.

15. Further Documents and Assurances.

The Parties shall each, diligently and in good faith, undertake all actions and procedures reasonably required to place the Escrow in condition for Closing as and when required by this Agreement. The Parties agree to provide all further information, and to execute and deliver all further documents, reasonably required by Escrow Holder or the Title Company.

16. Attorneys' Fees.

If any Party or Broker brings an action or proceeding (including arbitration) involving the Property whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees and costs. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred.

17. Prior Agreements/Amendments.

- 17.1 This Agreement supersedes any and all prior agreements between Seller and Buyer regarding the Property.
- 17.2 Amendments to this Agreement are effective only if made in writing and executed by Buyer and Seller.

18. Broker's Rights.

- 18.1 If this sale is not consummated due to the default of either the Buyer or Seller, the defaulting Party shall be liable to and shall pay to Brokers the Brokerage Fee that Brokers would have received had the sale been consummated. If Buyer is the defaulting party, payment of said Brokerage Fee is in addition to any obligation with respect to liquidated or other damages.
- 18.2 Upon the Closing, Brokers are authorized to publicize the facts of this transaction.

19. Notices.

- 19.1 Whenever any Party, Escrow Holder or Brokers herein shall desire to give or serve any notice, demand, request, approval, disapproval or other communication, each such communication shall be in writing and shall be delivered personally, by messenger, or by mail, postage prepaid, to the address set forth in this agreement or by facsimile transmission, electronic signature, digital signature, or email.
- 19.2 Service of any such communication shall be deemed made on the date of actual receipt if personally delivered, or transmitted by facsimile transmission, electronic signature, digital signature, or email. Any such communication sent by regular mail shall be deemed given 48 hours after the same is mailed. Communications sent by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed delivered 24 hours after delivery of the same to the Postal Service or courier. If such communication is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.
- 19.3 Any Party or Broker hereto may from time to time, by notice in writing, designate a different address to which, or a different person or additional persons to whom, all communications are thereafter to be made.

20. Duration of Offer.

- 20.1 If this offer is not accepted by Seller on or before 5:00 P.M. according to the time standard applicable to the city of San Diego on the date of May 9, 2018, it shall be deemed automatically revoked.
- 20.2 The acceptance of this offer, or of any subsequent counteroffer hereto, that creates an agreement between the Parties as described in paragraph 1.2, shall be deemed made upon delivery to the other Party or either Broker herein of a duly executed writing unconditionally accepting the last outstanding offer or counteroffer.

21. LIQUIDATED DAMAGES. (This Liquidated Damages paragraph is applicable only if initialed by both Parties).

THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, IF, AFTER THE SATISFACTION OR WAIVER OF ALL CONTINGENCIES PROVIDED FOR THE BUYER'S BENEFIT, BUYER BREACHES THIS AGREEMENT, SELLER SHALL BE ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF \$30,000. UPON PAYMENT OF SAID SUM TO SELLER, BUYER SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO SELLER, AND ANY ESCROW CANCELLATION FEES AND TITLE COMPANY CHARGES SHALL BE PAID BY SELLER.

Buyer's Initials

Seller's Initials

22. ARBITRATION OF DISPUTES. (This Arbitration of Disputes paragraph is applicable only if initialed by both Parties.)

22.1 ANY CONTROVERSY AS TO WHETHER SELLER IS ENTITLED TO THE LIQUIDATED DAMAGES AND/OR BUYER IS ENTITLED TO THE RETURN OF DEPOSIT MONEY, SHALL BE DETERMINED BY BINDING ARBITRATION BY, AND UNDER THE COMMERCIAL RULES OF THE AMERICAN ARBITRATION ASSOCIATION ("**COMMERCIAL RULES**"). ARBITRATION HEARINGS SHALL BE HELD IN THE COUNTY WHERE THE PROPERTY IS LOCATED. THE NUMBER OF ARBITRATORS SHALL BE AS PROVIDED IN THE COMMERCIAL RULES AND EACH SUCH ARBITRATOR SHALL BE AN IMPARTIAL REAL ESTATE BROKER WITH AT LEAST 5 YEARS OF FULL TIME EXPERIENCE IN BOTH THE AREA WHERE THE PROPERTY IS LOCATED AND THE TYPE OF REAL ESTATE THAT IS THE SUBJECT OF THIS AGREEMENT. THE ARBITRATOR OR ARBITRATORS SHALL BE APPOINTED UNDER THE COMMERCIAL RULES. AND SHALL HEAR AND DETERMINE SAID CONTROVERSY IN ACCORDANCE WITH APPLICABLE LAW, THE INTENTION OF THE PARTIES AS EXPRESSED IN THIS AGREEMENT AND ANY AMENDMENTS THERETO, AND UPON THE EVIDENCE PRODUCED AT AN ARBITRATION HEARING. PRE-ARBITRATION DISCOVERY SHALL BE PERMITTED IN ACCORDANCE WITH THE COMMERCIAL RULES OR STATE LAW APPLICABLE TO ARBITRATION PROCEEDINGS. THE AWARD SHALL BE EXECUTED BY AT LEAST 2 OF THE 3 ARBITRATORS, BE RENDERED WITHIN 30 DAYS AFTER THE CONCLUSION OF THE HEARING, AND MAY INCLUDE ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY PER PARAGRAPH 16 HEREOF. JUDGMENT MAY BE ENTERED ON THE AWARD IN ANY COURT OF COMPETENT JURISDICTION NOTWITHSTANDING THE FAILURE OF A PARTY DULY NOTIFIED OF THE ARBITRATION HEARING TO APPEAR THEREAT.

22.2 BUYER'S RESORT TO OR PARTICIPATION IN SUCH ARBITRATION PROCEEDINGS SHALL NOT BAR SUIT IN A COURT OF COMPETENT JURISDICTION BY THE BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE UNLESS AND UNTIL THE ARBITRATION RESULTS IN AN AWARD TO THE SELLER OF LIQUIDATED DAMAGES, IN WHICH EVENT SUCH AWARD SHALL ACT AS A BAR AGAINST ANY ACTION BY BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE.

22.3 NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

Buyer's Initials

Seller's Initials

23. Miscellaneous.

23.1 **Binding Effect.** This Agreement shall be binding on the Parties without regard to whether or not paragraphs 21 and 22 are initialed by both of the Parties. Paragraphs 21 and 22 are each incorporated into this Agreement only if initialed by both Parties at the time that the Agreement is executed.

23.2 **Applicable Law.** This Agreement shall be governed by, and paragraph 22.3 is amended to refer to, the laws of the state in which the Property is located. Any litigation or arbitration between the Parties hereto concerning this Agreement shall be initiated in the county in which the Property is located.

23.3 **Time of Essence.** Time is of the essence of this Agreement.

23.4 **Counterparts.** This Agreement may be executed by Buyer and Seller in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Escrow Holder, after verifying that the counterparts are identical except for the signatures, is authorized and instructed to combine the signed signature pages on one of the counterparts, which shall then constitute the Agreement.

23.5 **Waiver of Jury Trial.** **THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.**

23.6 **Conflict.** Any conflict between the printed provisions of this Agreement and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions. **Seller and Buyer must initial any and all handwritten provisions.**

23.7 **1031 Exchange.** Both Seller and Buyer agree to cooperate with each other in the event that either or both wish to participate in a 1031 exchange. Any party initiating an exchange shall bear all costs of such exchange. The cooperating Party shall not have any liability (special or otherwise) for damages to the exchanging Party in the event that the sale is delayed and/or that the sale otherwise fails to qualify as a 1031 exchange.

23.8 **Days.** Unless otherwise specifically indicated to the contrary, the word "days" as used in this Agreement shall mean and refer to calendar days.

24. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

24.1 The Parties and Brokers agree that their relationship(s) shall be governed by the principles set forth in the applicable sections of the California Civil Code, as summarized in paragraph 24.2.

24.2 When entering into a discussion with a real estate agent regarding a real estate transaction, a Buyer or Seller should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Buyer and Seller acknowledge being advised by the Brokers in this transaction, as follows:

(a) *Seller's Agent.* A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or subagent has the following affirmative obligations: (1) *To the Seller:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(b) *Buyer's Agent.* A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations. (1) *To the Buyer:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(c) *Agent Representing Both Seller and Buyer.* A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. (1) In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Seller or the Buyer. b. Other duties to the Seller and the Buyer as stated above in their respective sections (a) or (b) of this paragraph 24.2. (2) In representing both Seller and Buyer, the agent may not without the express permission of the respective Party, disclose to the other Party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered. (3) The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect their own interests. Buyer and Seller should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(d) *Further Disclosures.* Throughout this transaction Buyer and Seller may receive more than one disclosure, depending upon the number of agents assisting in the transaction. Buyer and Seller should each read its contents each time it is presented, considering the relationship between them and the real estate agent in this transaction and that disclosure. Buyer and Seller each acknowledge receipt of a disclosure of the possibility of multiple representation by the Broker representing that principal. This disclosure may be part of a listing agreement, buyer representation agreement or separate document. Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Broker representing Seller may also represent other sellers with competing properties that may be of interest to this Buyer. Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this transaction may be brought against Broker more than one year after the Date of Agreement and that the liability (including court costs and attorneys' fees), of any Broker with respect to any breach of duty, error or omission relating to this Agreement shall not exceed the fee received by such Broker pursuant to this Agreement; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

24.3 *Confidential Information.* Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

25. Construction of Agreement. In construing this Agreement, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Agreement. Whenever required by the context, the singular shall include the plural and vice versa. This Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

26. Additional Provisions.

Additional provisions of this offer, if any, are as follows or are attached hereto by an addendum or addenda consisting of paragraphs 26.1 through 26.1. (If there are no additional provisions write "NONE".)
26. All closing costs shall be paid by Buyer.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY AIR CRE OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS AGREEMENT OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:
1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS AGREEMENT.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PROPERTY. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PROPERTY, THE INTEGRITY AND CONDITION OF ANY STRUCTURES AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PROPERTY FOR BUYER'S INTENDED USE.

WARNING: IF THE PROPERTY IS LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THIS AGREEMENT MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED.

- NOTE:
- 1. THIS FORM IS NOT FOR USE IN CONNECTION WITH THE SALE OF RESIDENTIAL PROPERTY.
 - 2. IF EITHER PARTY IS A CORPORATION, IT IS RECOMMENDED THAT THIS AGREEMENT BE SIGNED BY TWO CORPORATE OFFICERS.

The undersigned Buyer offers and agrees to buy the Property on the terms and conditions stated and acknowledges receipt of a copy hereof.

BROKER

Colliers International CA, Inc., a Delaware corporation, d/b/a Colliers International

Attn: Mark Lewkowitz
Title: First Vice President

Address: 4350 La Jolla Village Drive, Suite 500, San Diego, CA 92122
Phone: (858) 677-5361
Fax: (858)-795-4161
Email: mark.lewkowitz@colliers.com
Federal ID No.: _____
Broker/Agent BRE License #: 01785338

Date: _____

BUYER

The City of National City or Assignee

By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

Address: _____
Federal ID No.: _____

27. Acceptance.

27.1 Seller accepts the foregoing offer to purchase the Property and hereby agrees to sell the Property to Buyer on the terms and conditions therein specified.
27.2 In consideration of real estate brokerage service rendered by Brokers, Seller **and Buyer** agrees to pay Brokers a real estate Brokerage Fee in a sum equal to 4 % of the Purchase Price to be divided between the **parties**Brokers as follows: Seller's **responsibility**Broker 1 % and Buyer's **responsibility**Broker 3 %. This Agreement shall serve as an irrevocable instruction to Escrow Holder to pay such Brokerage Fee to Brokers out of the proceeds accruing to the account of Seller at the Closing.
27.3 Seller acknowledges receipt of a copy hereof and authorizes Brokers to deliver a signed copy to Buyer.

NOTE: A PROPERTY INFORMATION SHEET IS REQUIRED TO BE DELIVERED TO BUYER BY SELLER UNDER THIS AGREEMENT.

BROKER

Colliers International CA, Inc., a Delaware corporation, d/b/a Colliers International

Attn: Mark Lewkowitz
Title: First Vice President

Address: 4350 La Jolla Village Drive, Suite 500
Phone: (858) 677-5361
Fax: (858) 795-4161
Email: mark.lewkowitz@colliers.com
Federal ID No.: _____
Broker/Agent BRE License #: 01785338

Date: _____

SELLER

Senter Family Trust

By: _____
Name Printed: Ed Senter
Title: _____
Phone: (619) 417-2250
Fax: _____
Email: esenter@millermarine.us

By: _____
Name Printed: Pauline Senter
Title: _____
Phone: _____
Fax: _____
Email: _____

Address: 1430 Hoover Avenue, National City, CA 91950
Federal ID No.: _____

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SELLER'S MANDATORY DISCLOSURE STATEMENT

(Required by law on transactions involving non-residential properties in California)
DO NOT USE THIS FORM WITH REGARD TO THE SALE OF RESIDENTIAL PROPERTIES

This disclosure statement is intended to be a part of the ☒ STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR PURCHASE OF REAL ESTATE (See paragraph 9.1(a) of said document) or ☐ _____ (the "Purchase Agreement") dated _____, regarding that certain real property commonly known as (street address, city, state, zip): 1430 Hoover Avenue, National City, CA 91950 (the "Property") wherein Senter Family Trust is the Seller and The City of National City or Assignee is the Buyer. Note: This disclosure statement is not designed nor intended to be used in place of the standard Property Information Sheet published BY AIR CRE ("AIR"). Both documents should be used in every transaction involving a sale.

In order to comply with State law concerning disclosures to a potential purchaser, Seller elects to:

- ☒ A. Utilize a report prepared by a professional consultant which has been approved by the AIR, i.e., **First American Natural Hazard Disclosures**, (800) 527-0027, or JCP Property Disclosure Reports, (800) 748-5233. A copy of their report is attached hereto. **(Complete paragraph 8, 9, 10, 12 and 13 and sign this statement in the place provided.)**
- ☐ B. Utilize a report prepared by _____, with phone number: _____. A copy of their report is attached hereto. **(Complete paragraphs 8, 9 10, 12, and 13, sign this Statement in the place provided, and attach a copy of The Commercial Property Owner's Guide to Earthquake Safety.)**
- ☐ C. Complete this Disclosure Statement without the assistance of a professional consultant. **(Complete paragraphs 1 through 13 and sign this Statement in the place provided. Remember to attach a copy of The Commercial Property Owner's Guide to Earthquake Safety.)**

1. EARTHQUAKE FAULT ZONES. If the Property is located within a delineated Earthquake Fault Zone (a zone that encompasses a potentially or recently active trace of an earthquake fault that is deemed by the State Geologist to constitute a potential hazard to structures from surface faulting or fault creep), California Public Resources Code §2621 et seq. mandates that prospective purchasers be advised that the Property is located within such a Zone, and that its development may require a geologic report from a state registered geologist. In accordance with such law, Buyer is hereby informed that the Property ☐ is or ☐ is not within a delineated Earthquake Fault Zone.
2. SEISMIC HAZARD ZONES. If the Property is located within a Seismic Hazard Zone as delineated on a map prepared by the California Division of Mines and Geology, California Public Resources Code §2690 et seq. mandates that prospective purchasers be advised that the Property is located within such a Zone. In accordance with such law, Buyer is hereby informed that the Property ☐ is or ☐ is not within a Seismic Hazard Zone.
3. EARTHQUAKE SAFETY. If (1) the improvements on the Property were constructed prior to 1975, and (2) said improvements include structures with (i) pre-cast (e.g., tilt-up) concrete or reinforced masonry walls together with wood frame floors or roofs or (ii) unreinforced masonry walls, Buyer must be provided with a copy of The Commercial Property Owner's Guide to Earthquake Safety (the "Booklet") published by the California Seismic Safety Commission. Buyer is hereby informed that the Property:

☐ (a) meets the foregoing requirements, and a copy of the Booklet and a completed "Commercial Property Earthquake Weakness Disclosure Report" is attached hereto. Within five business days of Buyer's receipt of said Disclosure Report, Buyer shall deliver a duly countersigned copy of the same to Escrow Holder, with a copy to Seller and Seller's Broker. Escrow Holder is hereby instructed that the Escrow shall not close unless and until Escrow Holder has received the Disclosure Report duly signed by both Seller and Buyer.

☐ (b) does not meet the foregoing requirements requiring the delivery of the Booklet.
4. FIRE PROTECTION. If the Property is located within a designated State Responsibility Area as delineated on a map prepared by the California Department of Forestry, California Public Resources Code §4136 mandates that prospective purchasers be advised that the Property is located within a wildland area which may contain substantial forest fire risks and hazards, that the State may not be responsible to provide fire protection services, and that the Property may be subject to the requirements of Public Resources Code §4291 which requires the periodic removal of brush, the maintenance of firebreaks, and other similar activities. In accordance with such law, Buyer is hereby informed that the Property ☐ is or ☐ is not within a designated State Responsibility Area.
5. FIRE HAZARD. If the Property is located within an area designated as a Very High Fire Hazard Severity Zone pursuant to Government Code §51178 et seq, §51183.5 mandates that prospective purchasers be advised that the Property is located within such a zone and that the Property may be subject to various maintenance, design and/or construction requirements and/or restrictions. In accordance with such law, Buyer is hereby informed that the Property ☐ is or ☐ is not within a designated Very High Fire Hazard Severity Zone.
6. AREA OF POTENTIAL FLOODING. If the Property is located within an area of potential flooding in the event of the failure of a dam as shown on an inundation map designated pursuant to Government Code §8589.5, §8589.4 mandates that prospective purchasers be advised that the Property is located within such an area. In accordance with such law, Buyer is hereby informed that the Property ☐ is or ☐ is not within a designated area of potential flooding.
7. FLOOD HAZARD AREAS. If the Property is located within a designated Federal Flood Hazard Area as delineated on a map prepared by the Federal Emergency Management Agency, Federal law, ie. 42 U.S.C. §4104a, mandates that prospective purchasers be advised that the Property is located within an area having special flood hazards and that flood insurance may be required as a condition to obtaining financing. In accordance with such law, Buyer is hereby informed that the Property ☐ is or ☐ is not within a designated Federal Flood Hazard Area.
8. FLOOD DISASTER INSURANCE. If the Seller or Seller's predecessor-in-interest has previously received Federal flood disaster assistance and said assistance was conditioned upon obtaining and maintaining flood insurance on the Property, Federal law, ie. 42 U.S.C. §5154a, mandates that prospective purchasers be advised that they will be required to maintain such insurance on the Property and that if said insurance is not maintained and the Property is thereafter damaged by a flood disaster, the purchaser may be required to reimburse the Federal Government for the disaster relief provided. Buyer is hereby informed that to the best of the Seller's knowledge Federal flood disaster assistance ☐ has or ☐ has not been previously received with regard to the Property. Note: if such disaster assistance has been received, the law specifies that the required notice be "contained in documents evidencing the transfer of ownership".
9. WATER HEATER BRACING. If the Property contains one or more water heaters, Seller is required by California Health and Safety Code §19211 to certify to the Buyer that all such water heaters have been braced, strapped and/or anchored in accordance with law. Buyer is hereby advised that the required bracing, strapping and/or anchors: ☐ have been installed ☐ have not been installed, or ☐ Seller does not know whether they have been installed.
10. PRESENCE OF MOLD. If the seller or transferor of property knows of the presence of mold that affects the property and the mold either exceeds permissible exposure limits or poses a health threat then Health and Safety Code §26140, et seq. mandates that prospective purchasers be advised in writing of such mold. In accordance with such law, Buyer is hereby informed that the undersigned ☐ does or ☐ does not know of the presence of such mold effecting the Property.
11. TITLE INSURANCE. In the event that the Purchase Agreement does not at present provide that title insurance will be obtained, Buyer is strongly urged to consider purchasing such insurance, and, in accordance with California Civil Code §1057.6, is advised as follows:

IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE

INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

12. HAZARDOUS SUBSTANCES. Seller is required by California Health and Safety Code §25359.7 to notify potential buyers of the presence of any hazardous substance that Seller knows, or has reasonable cause to believe, is located on or beneath the Property. In accordance with such law, Buyer is hereby notified that:

☐ Seller neither knows nor has reasonable cause to believe that any hazardous substance is on or beneath the Property, or ☐ Seller knows or has reasonable cause to believe that the following hazardous substances are on or beneath the Property: _____ .

13. OTHER. _____

PLEASE NOTE:

While the information contained in or attached to this Disclosure Statement is believed to be accurate as of the date that it was prepared, the applicable laws and the areas covered by the various natural hazard zones, etc. can change from time to time. Prior to the close of escrow, Buyer may wish to again check the status of the Property. Also, the city and/or county in which the Property is located may have established natural hazard zones in addition to those listed above. Buyer is advised to check with the appropriate local agency or agencies.

The descriptions contained within the above disclosure paragraphs are not intended to be full and complete dissertations of all of the possible ramifications to the Buyer and/or the Property. In the event that this document indicates that the Property is affected by one or more of the disclosures, Buyer is advised to:

- 1. Review the applicable laws in their entirety.
- 2. Seek advice of counsel as to the legal consequences of the items disclosed.
- 3. Retain appropriate consultants to review and investigate the impact of said disclosures.

Likewise no representation or recommendation is made BY AIR CRE or by any broker as to the legal sufficiency, legal effect, or consequences of this document or the Purchase Agreement to which it relates.

Date: _____

SELLER

Senter Family Trust

By: _____

Name Printed: Ed Senter

Title: _____

By: _____
Name Printed: Pauline Senter

Receipt of the above Seller's Mandatory Disclosure Statement is hereby acknowledged:

Date: _____

BUYER

The City of National City or Assignee

By: _____

Name Printed: _____

Title: _____

AIR CRE. 500 North Brand Blvd, Suite 900, Glendale, CA 91203, Tel 213-687-8777, Email contracts@aircre.com
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PROPERTY INFORMATION SHEET
(For the sale or leasing of non-residential properties)

PREFACE:

Purpose: This Statement is NOT a warranty as to the actual condition of the Property/Premises. The purpose is, instead, to provide the brokers and the potential buyer/lessee with important information about the Property/Premises which is currently in the actual knowledge of the Owner and which the Owner is required by law to disclose.

Actual Knowledge: For purposes of this Statement the phrase 'actual knowledge' means: the awareness of a fact, or the awareness of sufficient information and circumstances so as to cause one to believe that a certain situation or condition probably exists.

TO WHOM IT MAY CONCERN:

Senter Family Trust ("Owner"), owns the Property/Premises commonly known as (street address, city, state, zip) 1430 Hoover Avenue, National City, CA 91950 located in the County of San Diego, and generally described as (describe briefly the nature of the Premises or Property) an approximate 6,400 square foot warehouse situated on a .18 AC lot (hereinafter "**Property**"), and certifies that:

1. **Material Physical Defects.** Owner has no actual knowledge of any material physical defects in the Property or any improvements and structures thereon, including, but not limited to the roof, except (if there are no exceptions write "NONE"): .
2. **Equipment.**

A. Owner has no actual knowledge that the heating, ventilating, air conditioning, plumbing, loading doors, electrical and lighting systems, life safety systems, security systems and mechanical equipment existing on the Property as of the date hereof, if any, are not in good operating order and condition, except (if there are no exceptions write "NONE"): .

B. Owner has no actual knowledge of any leases, financing agreements, liens or other agreements affecting any equipment which is being included with the Property, except (if there are no exceptions write "NONE"): .
3. **Soil Conditions.** Owner has no actual knowledge that the Property has any slipping, sliding, settling, flooding, ponding or any other grading, drainage or soil problems, except (if there are no exceptions write "NONE"): .
4. **Utilities.** Owner represents and warrants that the Property is served by the following utilities (check the appropriate boxes) ☐ public sewer system and the cost of installation thereof has been fully paid, ☐ private septic system, ☐ electricity, ☐ natural gas, ☐ domestic water, ☐ telephone, and ☐ other: .
5. **Insurance.** Owner has no actual knowledge of any insurance claims filed regarding the Property during the preceding 3 years, except (if there are no exceptions write "NONE"): .
6. **Compliance With Laws.** Owner has no actual knowledge of any aspect or condition of the Property which violates applicable laws, rules, regulations, codes, or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable government agency or of any casualty insurance company that any work of investigation, remediation, repair, maintenance or improvement is to be performed on the Property, except (if there are no exceptions write "NONE"): .
7. **Hazardous Substances and Mold.**

A. Owner has no actual knowledge of the Property ever having been used as a waste dump, of the past or present existence of any above or below ground storage tanks on the Property, or of the current existence on the Property of asbestos, transformers containing PCB's or any hazardous, toxic or infectious substance whose nature and/or quantity of existence, use, manufacture or effect, render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, except (if there are no exceptions write "NONE"): .

B. Owner represents and warrants that it is not currently, and never has been engaged in the business of hauling waste, and never stored hazardous substances on the Property, except (if there are no exceptions write "NONE"): .

C. Owner has no actual knowledge of the existence on the Property of hazardous levels of any mold or fungi defined as toxic under applicable state or Federal law, except (if there are no exceptions write "NONE"): .
8. **Fire Damage.** Owner has no actual knowledge of any structure on the Property having suffered material fire damage, except (if there are no exceptions write "NONE"): .
9. **Actions, Suits or Proceedings.** Owner has no actual knowledge that any actions, suits or proceedings are pending or threatened before any court, arbitration tribunal, governmental department, commission, board, bureau, agency or instrumentality that would affect the Property or the right or ability of an owner or tenant to convey, occupy or utilize the Property, except (if there are no exceptions write "NONE"): .
Owner has not served any Notices of Default on any of the tenants of the Property which have not been resolved except (if there are no exceptions write "NONE"): .
10. **Governmental Proceedings.** Owner has no actual knowledge of any existing or contemplated condemnation, environmental, zoning, redevelopment agency plan or other land use regulation proceedings which could detrimentally affect the value, use and operation of the Property, except (if there are no exceptions write "NONE"): .
11. **Unrecorded Title Matters.** Owner has no actual knowledge of any encumbrances, covenants, conditions, restrictions, easements, licenses, liens, charges or other matters which affect the title of the Property that are not recorded in the official records of the county recorder where the Property is located, except (if there are no exceptions write "NONE"): .
12. **Leases.** Owner has no actual knowledge of any leases, subleases or other tenancy agreements affecting the Property, except (if there are no exceptions write "NONE"): .
13. **Options.** Owner has no actual knowledge of any options to purchase, rights of first refusal, rights of first offer or other similar agreements affecting the Property, except (if there are no exceptions write "NONE"): .
14. **Short Sale/Foreclosure.** The ability of the Owner to complete a sale of the Property ☐ is contingent ☐ is not contingent upon obtaining the consent of one or more lenders to conduct a 'short sale', ie. a sale for less than the amount owing on the Property. (This paragraph only needs to be completed if this Property Information Sheet is being completed in connection with the proposed sale of the Property) One or more of any loans secured by the Property ☐ is ☐ is not in foreclosure.
15. **Energy Efficiency.** The Property ☐ has ☐ has not been granted an energy efficiency rating or certification such as one from the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) or ☐ Seller/Lessor does not know if the Property has been granted such a rating or certificate. If such a rating or certification has been obtained please describe the rating or certification and provide the name of the organization that granted it: .
16. **Other.** (It will be presumed that there are no additional items which warrant disclosure unless they are set forth herein): .

The statements herein will be relied upon by brokers, buyers, lessees, lenders and others. Therefore, Owner and/or the Owner's Property Manager has reviewed and modified this printed statement as necessary to accurately and completely state all the known material facts concerning the Property. To the extent such modifications are not made, this statement may be relied upon as printed. This statement, however, shall not relieve a buyer or lessee of responsibility for independent investigation of the Property. Owner agrees to promptly notify, in writing, all appropriate parties of any material changes which may occur in the statements contained herein from the date this statement is signed until title to the Property is transferred, or the lease is executed.

Date: _____
(fill in date of execution)

OWNER
Senter Family Trust

By: _____
Name Printed: Ed Senter
Title: _____

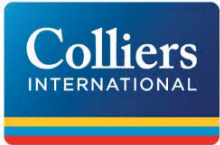
By: _____
Name Printed: **Pauline Senter**

Buyer/lessee hereby acknowledges receipt of a copy of this Property Information Sheet on _____. (Fill in date received)

BUYER/LESSEE
The City of National City or Assignee

By: _____
Name Printed: _____
Title: _____

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Please note that the terms “Seller” and “Buyer” are defined by the CA Civil Code to include a lessor and lessee, respectively.

This form must be delivered to both parties once the Letter of Intent is prepared, or where a legitimate interest/intent to be bound is shown (e.g. no outstanding negotiations).

REPRESENTATION CONFIRMATION

Date: April 19, 2018
Seller/Lessor: Senter Family Trust
Buyer/Lessee: The City of National City or Assignee
Property Name: 1430 Hoover Ave
Street Address, City, State: 1430 Hoover Ave, National City, CA 91950
Further described as: an approximate 6,400 square foot warehouse situated on a .18 AC lot

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

Colliers International of CA, Inc. Name of Listing Agent (Brokerage Firm) is the agent of (check one):

- ☐ The seller exclusively; or
- ☒ Both the buyer and seller.

Colliers International of CA, Inc. Name of Selling Agent/Procuring Broker (Brokerage Firm) is the agent of (check one):

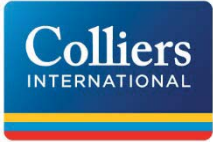
- ☐ The buyer exclusively; or
- ☐ The seller exclusively; or
- ☒ Both the buyer and seller.

SELLER/LESSOR

BY:
PRINT NAME: Ed Senter
TITLE:
BY:
PRINT NAME: Pauline Senter
TITLE:

BUYER/LESSEE

BY:
PRINT NAME:
TITLE:



Please note that the terms “Seller” and “Buyer” are defined by the CA Civil Code to include a lessor and lessee, respectively.

If you are the Listing Agent – you must deliver the form to the seller/lessor in the Representation Agreement. You must also deliver the form to the buyer/lessee once the Letter of Intent is prepared, or where a legitimate interest/intent to be bound is shown (e.g. no outstanding negotiations).

If you are the Buyer’s Agent- you must deliver the form to the buyer/lessee in the Representation Agreement. In addition, you must deliver the form to the seller/lessor once the Letter of Intent is prepared, or where a legitimate interest/intent to be bound is shown (e.g. no outstanding negotiations).

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP
(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse hereof. Read it carefully.

Colliers International (CA), Inc.

Agent Printed Name
Mark Lewkowitz

Associate Licensee Signature (date)

Mark Lewkowitz

Associate Licensee Printed Name

Buyer/Lessee Signature (date)

Buyer/Lessee Printed Name

Seller/Lessor Signature (date)

Senter Family Trust

Seller/Lessor Printed Name

2079.13. As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

- (a) “Agent” means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained.
- (b) “Associate licensee” means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker’s agent in connection with acts requiring a real estate license and to function under the broker’s supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions.
- (c) “Buyer” means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. “Buyer” includes vendee or lessee.
- (d) “Commercial real property” means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29.
- (e) “Dual agent” means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction.
- (f) “Listing agreement” means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer.
- (g) “Listing agent” means a person who has obtained a listing of real property to act as an agent for compensation.
- (h) “Listing price” is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent.
- (i) “Offering price” is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property.
- (j) “Offer to purchase” means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller.
- (k) “Real property” means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year’s duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code.

- (l) “Real property transaction” means a transaction for the sale of real property in which an agent is property that are not known to, or within the diligent attention and observation of, the employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase.
 - (m) “Sell,” “sale,” or “sold” refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property 95 Ch. 200 — 2 —between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year’s duration.
 - (n) “Seller” means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. “Seller” includes both a vendor and a lessor.
 - (o) “Selling agent” means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller.
 - (p) “Subagent” means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, “subagent” does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.
- 2079.14.** Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgment of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows:
- (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement.
 - (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a).
 - (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgment of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgment of receipt is required.
 - (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.
- 2079.15.** In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written declaration of the facts of the refusal.
- 2079.16.** The disclosure form required by Section 2079.14 shall have Sections 2079.13 to 2079.24, inclusive, excluding this section, printed on the back, and on the front of the disclosure form the following shall appear:

DISCLOSURE REGARDING
REAL ESTATE AGENCY RELATIONSHIP
(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller:

A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the

parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer:

A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
 - (b) Other duties to the Seller and the Buyer as stated above in their respective sections.
- In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse hereof. Read it carefully.

SAMPLE ONLY- DO NOT COMPLETE

Agent	(date)	Buyer/Seller (date) (Signature)
Associate Licensee (Signature)	(date)	Buyer/Seller (date) (Signature)

2079.17. (a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively.

(b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listing agent prior to or coincident with the execution of that contract by the seller.

(c) The confirmation required by subdivisions (a) and (b) shall be in the following form:

SAMPLE ONLY- DO NOT COMPLETE

_____ is the agent of
(Name of Listing Agent)
(check one):
☐ the seller exclusively; or
☐ both the buyer and seller.

_____ is the agent of
(Name of Selling Agent if not the same as the Listing Agent)
(check one):
☐ the buyer exclusively; or
☐ the seller exclusively; or
☐ both the buyer and seller.

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

2079.18. No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

2079.19. The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20. Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

2079.21. A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer.

This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22. Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

2079.23. A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

2079.24. Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

Authorized to make
offer

For Sale > Industrial Building

1430 Hoover Avenue
National City, CA 91950

Contact

MARK LEWKOWITZ

+1 858 677 5361

mark.lewkowitz@colliers.com

CHRIS HOLDER, SIOR

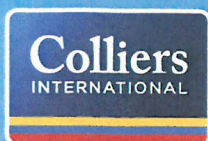
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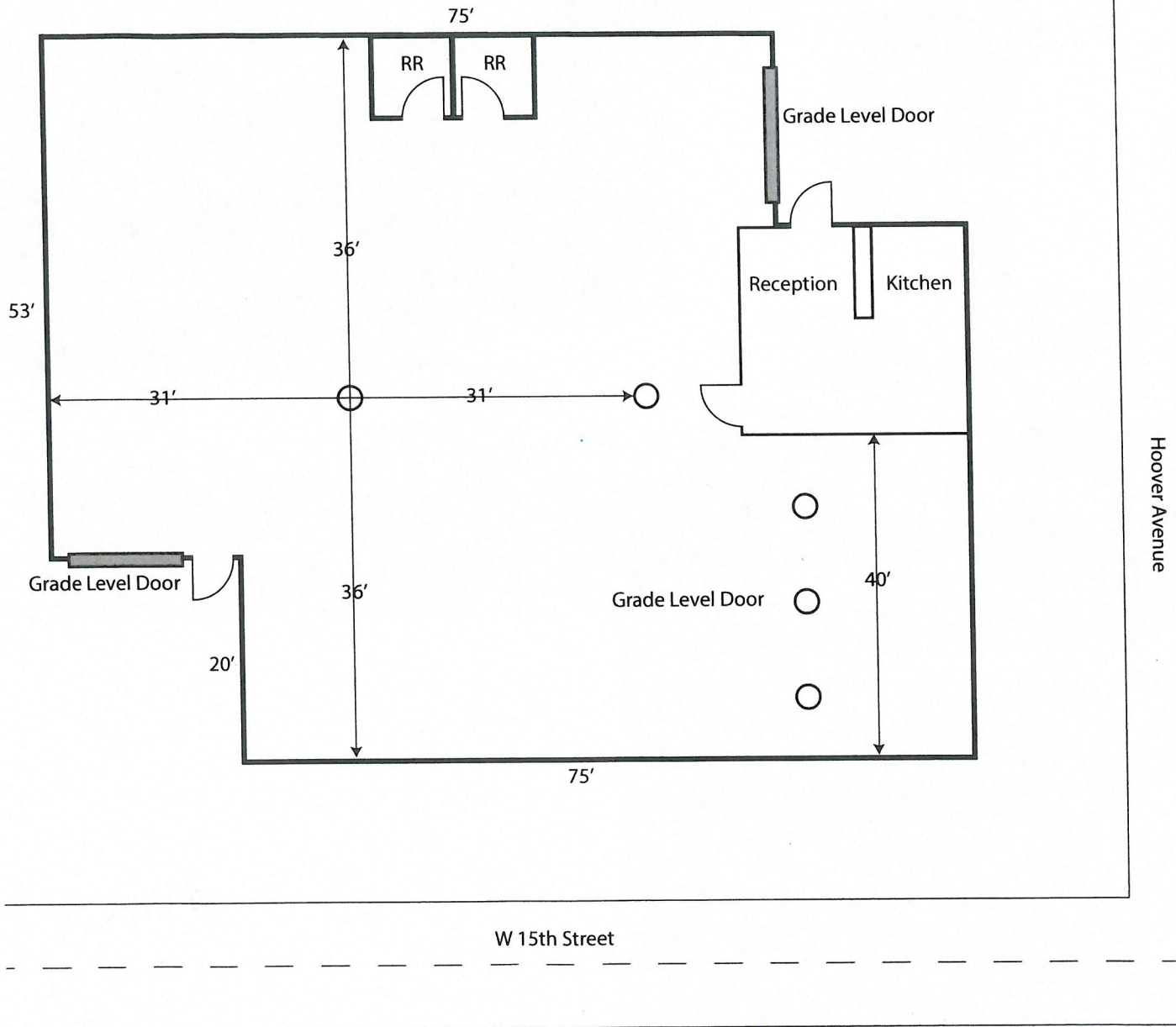


4350 La Jolla Village Drive, Suite 500
San Diego, CA 92122
+1 858 455 1515 MAIN
Lic. No. 01908588
colliers.com/sandiego

Property Details

- > 6,400 SF Building
- > 7,602 SF Lot (0.18 Acres)
- > Heavy Power (3 Phase 400 AMPs)
- > 2 Roll-Up Doors
- > 16' Clear Height
- > Concrete Block Building
- > HVAC to Offices
- > Compressor Air Throughout
- > Skylights
- > Bonus Mezzanine Office (+/-2,000 SF)
- > 2 Restrooms
- > Kitchenette
- > Easy Access to I-5, I-15 and SR-94 freeways
- > Close Proximity to Navy, Nassco, & BAE
- > Sale Price: \$1,200,000

FOR SALE > 1430 Hoover Avenue
National City, CA 91950



FOR SALE > 1430 Hoover Avenue
National City, CA 91950



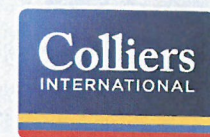
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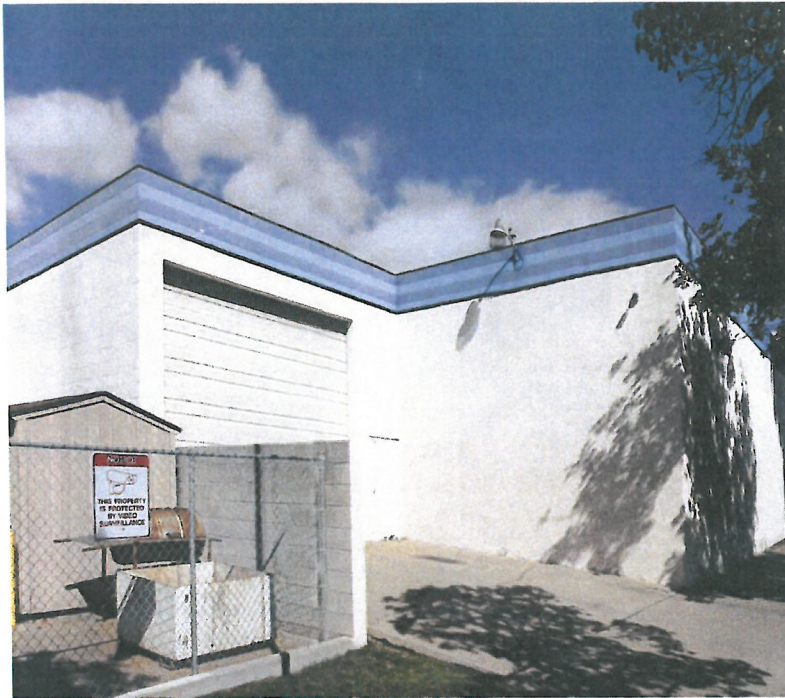
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FOR SALE > 1430 Hoover Avenue
National City, CA 91950



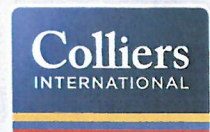
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APPRAISAL REPORT

An Existing 6,400 SF Industrial Building
Located at:
1430 Hoover Avenue
National City, California 91950

APPRAISED FOR

Mr. Gregory Rose
City of National City Property Agent
Housing & Economic Development Department
140 East 12th Street, Suite B
National City, CA 91950

DATE OF VALUATION

April 26, 2018

DATE OF REPORT

May 2, 2018

APPRAISED BY

Brad C. Woodall, MAI
9922 Winecrest Road
San Diego, CA 92127
(858) 876-2510

BRAD C. WOODALL, MAI

9922 Winecrest Road • San Diego, CA 92127 • Telephone: (858) 876-2510

May 2, 2018

Mr. Gregory Rose
City of National City Property Agent
Housing & Economic Development Department
140 East 12th Street, Suite B
National City, CA 91950

Mr. Rose:

This appraisal report has been prepared for the purpose of estimating the “as is” market value of the fee simple interest of the property located at 1430 Hoover Avenue, National City, California.

The subject consists of an existing concrete block industrial building containing 6,400 square feet on a 7,500 gross square foot lot. The building is approximately 48 years old and is in overall average condition. It is currently vacant.

“As Is” Value

Based on analysis of recent market activity, it was concluded that the “as is” market value of the fee simple interest in the subject as of April 26, 2018 was:

ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS
\$1,150,000

The estimated exposure time is four months and the estimated marketing time is also four months.

The appraised value does not include any personal property items. This letter is only a part of the narrative appraisal report which follows (including the Addenda). For a brief summary of findings, please refer to the Summary of Salient Facts on page 1 of the report. This appraisal is for the exclusive use of The City of National City for asset valuation and decision making purposes. No other use of the appraisal is authorized by the appraiser.

Page two
Mr. Rose
May 2, 2018

The value conclusion was developed subject to certain assumptions and limiting conditions which are listed later in the report. Subsequent changes in the assumptions may result in a different value conclusion. For that reason, the reader is strongly urged to review all of the assumptions and limiting conditions under which this appraisal was prepared.

Thank you for this opportunity to be of service.

Respectfully submitted,



Brad C. Woodall, MAI
CA Certification No. AG015729
Expiration date 2/12/19

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SUMMARY OF SALIENT FACTS

LOCATION:	1430 Hoover Avenue, National City, California 91950	
CENSUS TRACT:	219	
LAND AREA:	One lot containing approximately 7,500 gross square feet.	
IMPROVEMENT DESCRIPTION:	A concrete block industrial building which contains 6,400 gross square feet.	
HIGHEST AND BEST USE:	As if Vacant: Hold for future development As Improved: The existing improvements represent the highest and best use as improved.	
INCOME:	Potential Gross Income:	\$70,656
	Less Vacancy & Collection Loss:	<u>(\$1,413)</u>
	Effective Gross Income:	\$69,243
	Expenses:	<u>(\$17,763)</u>
	Net Operating Income:	\$51,480
CAPITALIZATION RATE:	6.25%	
VALUE INDICATIONS:	Sales Comparison Approach:	\$1,150,000
	Income Approach:	\$825,000
“AS IS” MARKET VALUE:	\$1,150,000	
DATE OF VALUE:	April 26, 2018	
VALUE SOUGHT:	“As Is” market value	
INTEREST APPRAISED:	Fee simple interest	
EXPOSURE TIME:	Four months	
MARKETING TIME:	Four months	

SUBJECT PROPERTY PHOTOGRAPHS



VIEWING NORTHWEST TO THE
EAST SIDE OF THE SUBJECT



VIEWING NORTHEAST TO THE
SOUTH SIDE OF THE SUBJECT



VIEWING NORTH TO THE
SOUTH SIDE OF THE SUBJECT



VIEWING WESTERLY TO THE
EAST SIDE OF THE SUBJECT



VIEWING SOUTHWEST TO THE
EAST SIDE OF THE SUBJECT



VIEW OF OFFICE AREA

SUBJECT PROPERTY PHOTOGRAPHS



VIEW OF OFFICE MEZZANINE AREA



VIEW OF WAREHOUSE AREA



VIEW OF TYPICAL RESTROOM

APPRAISER'S CERTIFICATION

I hereby certify that to the best of my knowledge and belief:

1. The statements of fact contained in the report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent on the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the report.
7. The reported analyses, opinions and conclusions were developed, and the report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
8. The reported analyses, opinions and conclusions were developed, and the report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. The use of the report is subject to the requirements of the Appraisal Institute regarding review by its duly authorized representatives.
10. I have made a personal inspection of the property that is a subject of this report, and of the comparable sales data.
11. No one provided significant real property appraisal assistance to the person signing this certification.
12. This is a "certified" appraisal, under California state law.
13. This appraisal was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
14. As of the date of this report, Brad C. Woodall has completed the requirements under the continuing education program of the Appraisal Institute for designated members.
15. Only a complete original copy of this report should be relied upon. Any copy of this report which is not entirely in this form is not an original and therefore should not be considered or used as a "valid" report; nor will the appraiser(s) accept any liability or responsibility for the use or reliance of such unauthorized copy.
16. I have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.



Brad C. Woodall, MAI
CA Certification No. AG015729
Expiration date 2/12/19

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal was made under the following general and specific assumptions. The reader is cautioned that subsequent changes in any of the assumptions may result in a different value conclusion, and the appraiser reserves the right to modify the appraisal should there be any such changes.

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

11. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, ureaformaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
12. The appraiser is not a property inspector or engineer and is not qualified to detect deficiencies in the structural and mechanical components of the improvements. Unless otherwise stated in the report, it is assumed that the improvements have no structural or mechanical problems and that all mechanical systems including electrical, plumbing and HVAC are in proper working condition.
13. The Americans with Disabilities Act (ADA) became effective January 26, 1992. This appraiser is not qualified to perform a specific compliance survey or to determine whether the subject is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in conformance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property.

This appraisal is made under the following general limiting conditions:

1. Any allocation of the total value estimated in this report between land and improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication.
3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all, nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

5. Any value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests has been set forth in the report.
6. The forecasts, projections, or operating estimates contained herein are based upon market conditions as of the date of value, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes in future conditions.

Extraordinary Assumptions

None

Hypothetical Conditions

None

INTRODUCTION

Identification of the Subject Property

The subject of this appraisal report is the existing industrial property located at 1430 Hoover Avenue, National City, California. A partial legal description, taken from public records is as follows:

Lots 13 through 15 in Block 79 of National City Refiled Map No. 348, in the City of National City, County of San Diego, State of California.

Identification of the Property Rights to be Valued

The property rights appraised are those of the fee simple estate. The definition of fee simple is:

*"absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."*¹

Personal property items are not included as a part of this valuation.

Function of the Appraisal/Intended Use

This appraisal is for the exclusive use of The City of National City for asset valuation and decision making purposes. No other use of the appraisal is authorized by the appraiser.

Client/Intended Users

The City of National City is the client and the only intended user.

Type and Definition of Market Value

Market value is defined as:

"the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1. Buyer and seller are typically motivated;*
- 2. Both parties are well informed, or well advised, and each acting in what they consider their own best interests;*

¹The Dictionary of Real Estate Appraisal, Fifth Edition, p. 78.

3. *A reasonable time is allowed for exposure in the open market;*
4. *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
5. *The price represents the normal considerations for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*¹²

Definitions

Market Value “As Is” - is an estimate of the market value of a property in its condition observed, as of the date of inspection, and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications.

Date of the Value Estimate

The effective date of value is April 26, 2018 and the date of the report is May 2, 2018.

Scope of the Appraisal

This appraisal report is intended to conform with FIRREA, the current Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of The Appraisal Foundation. The appraiser meets the requirements of the Competency Provision of the current Uniform Standards of Professional Appraisal Practice.

The client has requested the appraiser provide one value estimate, “as is” market value of the fee simple interest. The appraisal process included, but was not limited to, the following steps. Regional and local demographics were studied and analyzed as they pertain to the subject. The report includes a market analysis of the industrial market which discusses inventory, absorption and vacancy in the subject’s market area. Additionally land inventory, building sale prices and lease rates are analyzed. A visit to the subject property was made, from which data was gathered for the site and improvement description sections of the report.

In the Highest and Best Use section of the report, a highest and best use as vacant and as improved was completed. For the highest and best use as vacant analysis, the maximally productive use of the site is estimated from the uses that are physically possible, legally permissible, and financially feasible; assuming the site is vacant. In the Highest and Best Use as Improved analysis, the maximally productive use of the property in its existing condition as of the date of value is estimated from the options that are physically possible, legally permissible, and financially feasible. A

²OCC, 12 CFR, Part 34, Subpart C -Appraisals, 34.42 Definitions

determination is made as to whether the existing improvements are the maximally productive use or whether some other use or modification of the existing improvements is the maximally productive use.

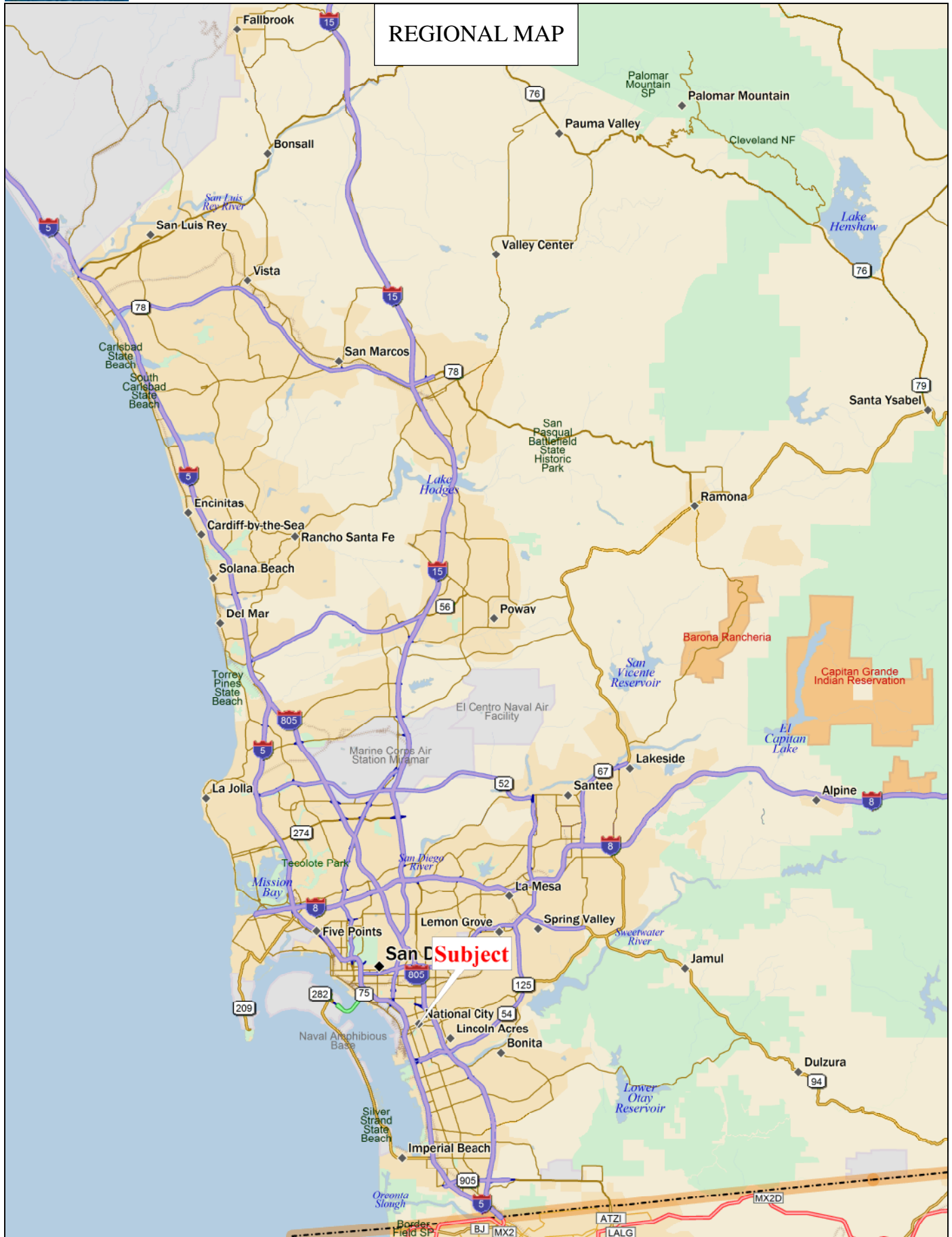
Following the Highest and Best Use analysis is the valuation of the property in which both the Sales Comparison and Income Approaches to value were undertaken. In this case, the Cost Approach was not utilized because of the lack of recent land sales in the market area. In the Sales Comparison Approach, comparable sales were researched and confirmed with a party involved in the transaction to determine the important details of the transaction. The most relevant characteristics of the sale comparables are then compared directly with the subject on a price per square foot basis.

In the Income Approach, lease data is researched and verified by property managers, leasing brokers or owners. The most relevant characteristics of the comparable leases are then compared directly with the subject in order to derive an estimate of market rent for the subject. A vacancy and collection loss factor is derived by analysis of the for-lease market and determining vacancy and collection loss factors utilized by investors in the market. Operating expenses are then estimated by analysis of the subject's historical expenses, comparable properties, and expense surveys. The net operating income is then capitalized by a market derived capitalization rate which is extracted from comparable sales. After the Income Approach is a reconciliation of the approaches to value where a final estimate of market value is made.

Property and Ownership History

According to public records, the current owner of record is the Senter Family Trust, which acquired the property on November 9, 2000 per Document No. 00-0609840. There have been no transfers in ownership of the subject property in the three years prior to the date of appraisal according to public records.

The property was listed for sale approximately one month ago at a price of \$1,200,000. The listing broker reports that an offer was made for \$1,150,000, but the buyer was unqualified to purchase the property. The City of National City has made an offer on the property of \$995,000 which has been accepted by the owner, but the property is not yet in escrow. The listing and offers will be more thoroughly analyzed in the valuation section of the report.



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www.delorme.com

REGIONAL DESCRIPTION

Location

The subject property is located in San Diego County, California. San Diego County is located in the southwestern corner of the United States and is bordered on the west by the Pacific Ocean, and on the east by Imperial County. Riverside and Orange Counties form the northern boundary and Mexico is to the south.

Population

The California Department of Finance reports a population of 3,316,192 persons for San Diego County as of January 1, 2017. That represents an increase of 474,779 persons, or 17.9%, from the April 2000 census amount of 2,813,833. Since 2000 the county has grown at a compound rate of 1.0% per year. The county growth rate into the year 2020 is projected to increase to about 2.2% per year.

The population of the City of San Diego was estimated at 1,406,318 persons as of January 1, 2017, or 42% of the total county population. The average compound annual growth rate for the City of San Diego has been 0.8% since 2000, and is projected to increase to 3.1% into the year 2020.

Economic Base

As San Diego has grown in size, the economic base of the region has grown in diversity. The educational & health sector showed the largest percentage increase of employed persons between 1990 and 2010 with an increase of 74.9% or 63,000 workers. Over the last year (March 2017 to March 2018), the Construction sector showed the largest percentage increase in employment with 3,500 new jobs, a 4.5% increase.

High technology employment has helped transform the San Diego Economy. Emerging growth areas include telecommunications, computers and software, biotechnology and medical instruments. Qualcomm has established San Diego as the nation's leading telecommunications technology center. It is the county's largest high technology employer with over 12,000 people employed. As of March 2018, the unemployment rate in San Diego was 3.2%.

Income Levels

The median household income in San Diego County was \$47,360 in 2000. The County's median household income increased by 46.9% to \$69,595 in 2016.

Housing

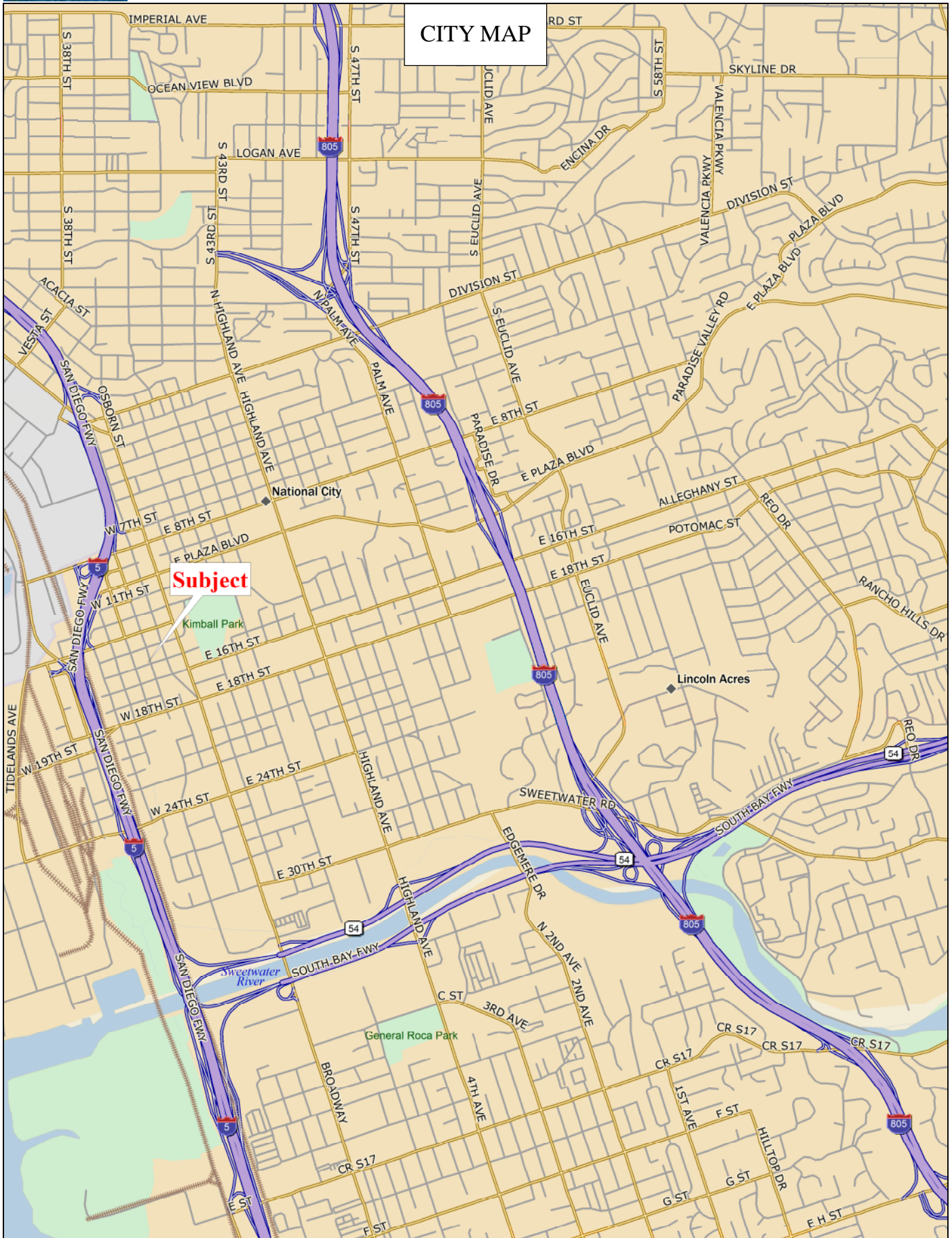
Based on a housing value survey conducted by independent appraisers for the San Diego Chamber of Commerce and the Real Estate Research Council, the average price of a single family home in San Diego was generally declining in the first half of the 1990's. For example, the average home price in the survey declined from \$233,300 in 1990 to \$203,900 in 1995. From 1996 to 2005, the average home price in the survey was steadily rising, but declined from 2006 to 2011. As of October 2017, the average home price in the survey was \$702,584, an increase of 5.8% from the prior year and an increase of 14.1% from October 2015.

The number of residential building permits and permitted units have declined substantially from the mid-1980's when the total number of permitted residential units ranged between 18,813 and 43,561 per year. Permits for residential units fell to 5,594 in 1993, which was the lowest level on record for the county since the 1940s. Permit activity reached 18,314 units in 2003, the highest since 1989. From 2004 to 2009 residential permits have decreased in each year, reaching the lowest permit level on record in 2009 with only 2,989 units. Multi-family unit permits declined in 2017 going from 7,563 units in 2016 to 5,601 units in 2017. Single family permits increased between 2016 and 2017 going from 2,409 to 3,979 units.

Conclusion

San Diego County's population has shown large increases in population in the 1990's, but has most recently began to slow down. Based on historical trends and forecasts, this gradual growth trend is expected to continue in the near future.

Growth in the economy is expected to resume, but further diversification is needed. Continued expansion is forecast in service-related fields, tourism and foreign trade. Continued increases in high technology and the service sectors will help broaden the economy and provide a more stable environment for real estate investment in properties. Overall, the outlook for San Diego County's economy is positive on a long term basis. The residential home market is showing moderate appreciation over the last year. The industrial, office and retail markets are also showing signs of strength with declining vacancy factors over the last two years.



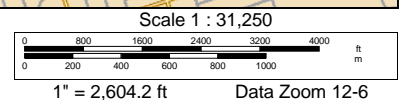
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CITY DESCRIPTION

Location

The subject property is located in National City which is approximately three miles southeast of downtown San Diego. National City is bounded by the City of San Diego on the north, the City of San Diego and the County of San Diego on the east, the City of Chula Vista on the south and San Diego Bay on the west.

Population

The total population in the City of National City as of January 2017 was approximately 61,210 according to the California Department of Finance. Growth in National City was lower than the county-wide rate in the 2000's. Between 2000 and 2017 National City grew at a rate of 12.8%, while the county grew at a rate of 17.95% over the same time period. SANDAG projects National City's population to be 62,058 by the year 2020, which is an approximate 0.5% annual increase from the 2017 population figure.

Demographic Information

In terms of household income, National City had a median household income of \$40,763 as of 2016 as compared to a regional median of \$69,595. As of January 1, 2016, there were 16,851 housing units in National City and 3.50 persons per household. The number of housing units increased 8.4% from 2000. The median age of National City's residents was 31.1 years, lower than the region's median age of 35.5 years.

Housing

National City has a wide range of housing product ranging from 500± square foot homes on lots of 5,000 to 10,000 square feet, to old Victorian homes of 3,000+ square feet on 1.0+ acre lots. Detached resale housing prices have ranged from \$215,000 to \$540,000 over the last six months in National City with a median price of \$429,000 and an average price of \$420,134 according to the Multiple Listing Service (MLS). A total of 87 homes sold in National City through the MLS over the last six months and had an average marketing time of 30 days.

Attached resale housing prices have ranged from \$144,000 to \$410,000 over the last six months in National City with a median price of \$255,000 and an average price of \$251,192 according to the Multiple Listing Service (MLS). A total of 20 homes sold in National City through the MLS over the last six months and had an average marketing time of 38 days.

Employment

As of March 2018, total employment in National City was approximately 23,800 and unemployment was approximately 1,100 people or 4.2%. The average annual employment figure in 2017 was 24,000, an increase of 3.0% over the average annual employment figure in 2016. Average annual unemployment in the city has declined over the last two years and ranged between 5.0% and 5.9%. There is a fairly large industrial district in the city which provides employment for many of the city residents. The United States Navy is a large employer in the area with the Naval base at 32nd Street, about two miles northwest of the subject.

Transportation and Access

Primary access to National City is provided by Interstates 5 and 805. Interstate 5 runs north along the coast through San Diego County from the Mexican border. Interstate 805 parallels Interstate 5 and is located approximately two miles east of Interstate 5. From south to north, freeway access points in National City from Interstate 5 are at 24th Street, Civic Center Drive and Eighth Street. Freeway access points in National City from Interstate 805 are at Sweetwater Road, Plaza Boulevard and Division Street.

Major surface streets include National City Boulevard, Highland Avenue, Sweetwater Road, Division Street, Eighth Street, Plaza Boulevard, Civic Center Drive, 18th Street, and 24th Street. National City Boulevard, Highland Avenue and Plaza Boulevard are the primary commercial strips in the city.

National City has a light rail trolley system which extends from the U.S./Mexican border through the city limits and into downtown San Diego. There are two trolley stations in National City, one at the northeast quadrant of Interstate 5 and 24th Street, and the other at the northeast corner of Eighth Street and Harbor Drive.

Public Services

The City of National City has its own municipal police force for police protection. Fire protection service is currently provided from two fire stations, the closest is located within one-half mile to the east of the subject on D Avenue. The City of National City does not provide a solid waste collection service. Private collectors are issued permits which allow the services to collect solid waste in the city. Telephone and cable television are also available.

Nine elementary, two junior high, and one senior high school serve the city. Paradise Valley Hospital serves the health care needs of National City's residents.

Shopping

National City Boulevard, Highland Avenue and Plaza Boulevard are the major commercial strips in the city, where there are older free-standing retail buildings and several strip centers. The nearest regional shopping center is Plaza Bonita, located about 2.5 miles southeast of the subject property. South Bay Plaza and Sweetwater Town and Country are large community shopping centers located in National City. The National City Mile of Cars is located on National City Boulevard between 18th Street and 33rd Street. The “Mile of Cars” is one of the largest centers of automobile sales in the county and is also the largest generator of sales tax revenue for the City of National City.

Immediate Area of the Subject

The subject is located at the northwest corner of Hoover Avenue and 15th Street in an area consisting of a mix of industrial and residential uses. Adjacent uses to the subject include a single family residence to the north and an industrial building to the west. Across 15th Street to the south is an industrial building and across Hoover Avenue to the east are single family residences.

INDUSTRIAL MARKET CONDITIONS

Regional Industrial Market

The regional industrial market has recently been strong with low vacancy and high net absorption. Colliers International reports that the overall industrial vacancy rate in San Diego was 4.2% at the end of the first quarter of 2018. The following table shows the trend in vacancy in the regional industrial market over the last two years by quarter.

REGIONAL INDUSTRIAL VACANCY

Period	Vacancy
1 st Qtr. 2016	5.0%
2 nd Qtr. 2016	4.8%
3 rd Qtr. 2016	4.4%
4 th Qtr. 2016	4.7%
1 st Qtr. 2017	4.9%
2 nd Qtr. 2017	4.8%
3 rd Qtr. 2017	4.5%
4 th Qtr. 2017	4.2%
1 st Qtr. 2018	4.2%

As shown in the table, the vacancy rate has been in a relatively tight range between first quarter 2016 and first quarter 2018 at 4.2% to 5.0%. As of first quarter 2018, the vacancy rate was 4.2% which is a two-year low. With 189,389,030 square feet of inventory in the Colliers International study, approximately 7,954,339 square feet of space was reported to be vacant.

The overall county market is now operating at a stabilized level, and there are several sub-markets where new construction may be justified. The following table shows construction activity and absorption figures for the prior two years according to Colliers International.

REGIONAL INDUSTRIAL CONSTRUCTION AND ABSORPTION

Period	SF Under Construction	Net Absorption	Average Asking Rate
1 st Qtr. 2016	1,831,268	13,247	\$1.01
2 nd Qtr. 2016	1,698,858	294,137	\$1.02
3 rd Qtr. 2016	1,773,039	988,226	\$1.02
4 th Qtr. 2016	1,360,194	572,928	\$1.03
1 st Qtr. 2017	905,184	548,193	\$1.03
2 nd Qtr. 2017	598,583	546,504	\$1.03
3 rd Qtr. 2017	2,176,268	522,609	\$1.00
4 th Qtr. 2017	2,811,454	592,245	\$1.00
1 st Qtr. 2018	2,895,943	540,728	\$1.00

In 2012, net absorption was 3,062,786 square feet, but declined slightly in 2013 to 2,924,405 square feet. In 2014 there was net absorption of 3,079,525 square feet, and in 2015 net absorption was 4,333,577 square feet. Net absorption declined substantially in 2016 to 1,868,538 square feet, the lowest net absorption since 2011. In 2017, net absorption was 2,209,551 square feet. There was 2,811,454 square feet of industrial space under construction in the fourth quarter of 2017, the highest level in the last two years. Most of the new construction is in North County in the areas of Carlsbad, Escondido, Oceanside and San Marcos.

The average asking lease rate for industrial space in San Diego has been fairly stable over the last two years ranging between \$1.00 and \$1.03 per square foot per month on a triple net basis. As of first quarter 2018 the average asking rate was \$1.00 per square foot, triple net

The available inventory of finished lots has decreased dramatically over the last few years. Industrial building sale prices have been increasing over the last few years and demand for owner/user properties is reported to be good. Institutional investor interest is reported to be strong for large multi-tenant properties, as well as for smaller local investor properties.

National City Industrial Market

The National City market contains about 2.0% of the total industrial space in the county. Industrial space in National City is quite varied and ranges in size from 1,000 to over 100,000 square feet. Construction type varies from metal, concrete block and concrete tilt-up with the older buildings being of metal and concrete block construction and the newer buildings generally are of concrete tilt-up construction.

Vacancy, Inventory and Absorption Trends

According to Costar, as of the end of the first quarter of 2018, the National City industrial market contained 4,170,944 square feet of industrial space and had a vacancy rate of 1.1%. The following table presents a summary of inventory, vacancy, absorption and the average asking lease rate in the National City industrial market over the last two years based on information from Costar.

NATIONAL CITY INDUSTRIAL INVENTORY AND ABSORPTION

Period	Inventory	Vacancy Rate	Net Absorption	Average Lease Rate
1 st Qtr. 2016	4,173,567	2.7%	7,917	\$0.84
2 nd Qtr. 2016	4,173,567	2.3%	16,646	\$0.80
3 rd Qtr. 2016	4,173,567	1.6%	29,378	\$0.91
4 th Qtr. 2016	4,173,567	1.9%	(14,736)	\$0.93
1 st Qtr. 2017	4,173,567	1.8%	4,415	\$0.90
2 nd Qtr. 2017	4,173,567	1.8%	(1,120)	\$0.91
3 rd Qtr. 2017	4,170,944	1.4%	16,764	\$0.63
4 th Qtr. 2017	4,170,944	1.5%	(6,187)	\$0.60
1 st Qtr. 2018	4,170,944	1.1%	15,680	\$0.90

Industrial inventory has remained stable at 4,170,944 to 4,173,567 square feet according to Costar over the last nine quarters. The vacancy rate has been very low over the last two years ranging between 1.1% and 2.7%, and as of first quarter 2018 was 1.1%. Net absorption has ranged from negative 14,736 square feet to positive 29,378 square feet over the last nine quarters. There was 39,205 square feet of absorption in 2016, and 13,872 square feet of net absorption in 2017. First quarter 2018 net absorption was 15,680 square feet.

Planned Construction and Available Land Inventory

It is reported by Costar that there was no industrial space under construction in the National City market as of the end of the first quarter of 2018. Additionally, there is not much vacant land inventory in National City available for immediate industrial development. As a result, there is likely to be minimal additional inventory added to the market place which is a positive for the market. The district is estimated to be about 95% built-out.

Market Rental Rates and Building Sale Prices

Lease rates for typical industrial space in National City are generally in the range of \$0.90 to \$1.00 per square foot per month on an industrial gross basis. Older, less desirable buildings or large distribution space may lease at lower rates, while newer, smaller space may lease at higher rates. Concessions are no longer common due to the low vacancy rate and a shortage of available space. Average asking lease rates for industrial space in National City have ranged from \$0.60 to \$0.90 per square foot per month on a triple net basis according to Costar. However, that information does not reflect the true market conditions in National City as lease rates have been fairly stable to slightly increasing over the last two years.

Conventional industrial buildings in the market area are generally selling in the \$150 to \$200 per square foot price range for owner/user buildings in the 5,000 to 25,000 square foot size range. Small buildings with low coverage will command much higher price per square foot prices.

Summary

County-wide, the industrial market vacancy rate has remained fairly stable in a tight range between 4.2% to 5.0%. Net absorption has been positive in every quarter over the last two years. As a result of the low vacancy and strong absorption, the amount of new buildings under construction is at its highest level in the last two years.

The National City industrial market had a first quarter 2018 vacancy rate of 1.1%, and there was no industrial space under construction as of the date of the appraisal. An additional positive factor is that there is minimal finished lot inventory in National City for new construction.

TAX AND ASSESSMENT INFORMATION

The subject is identified as Assessor Parcel Number 560-061-15. The 2017-18 assessed value is distributed as follows:

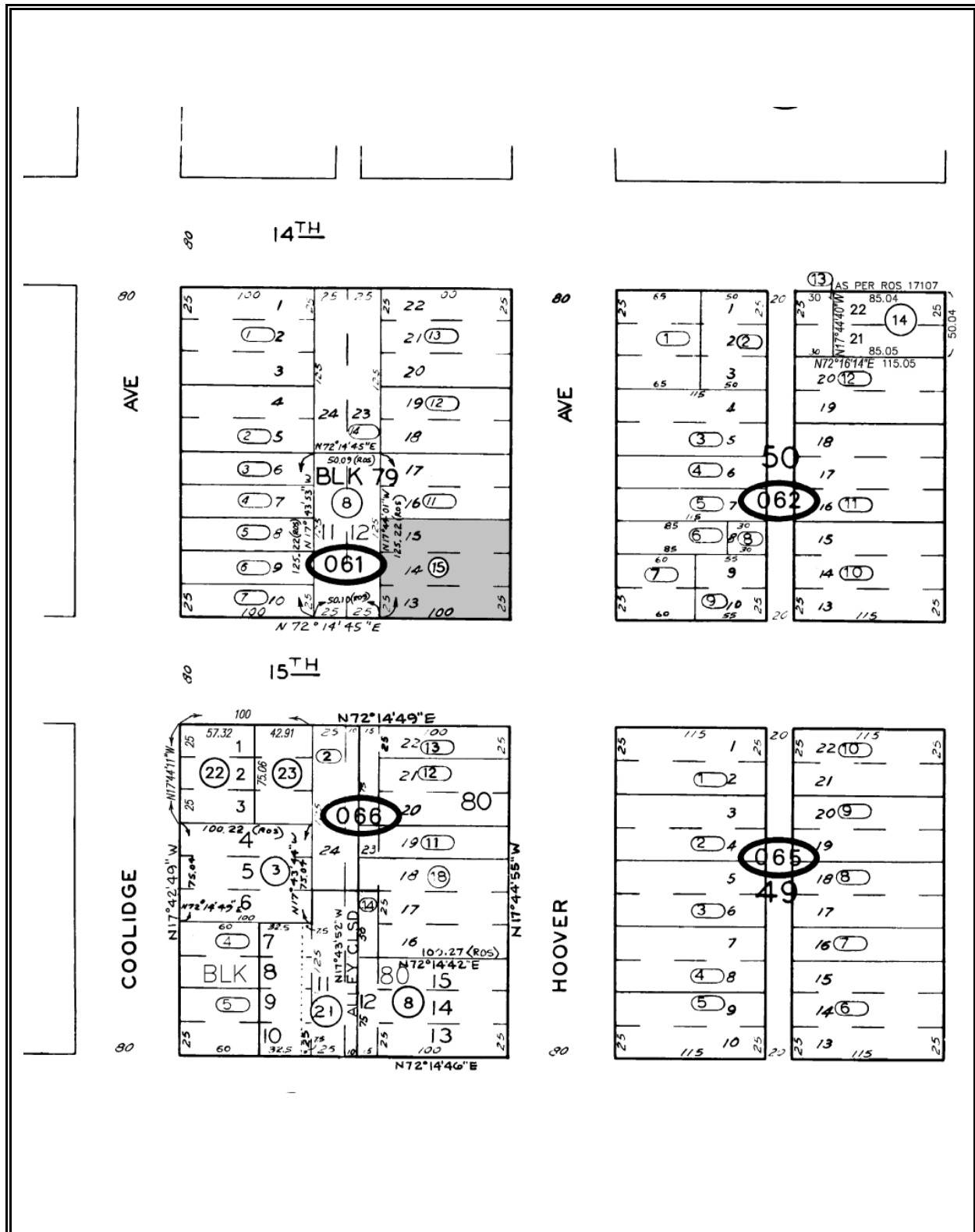
2017-18 ASSESSED VALUE			
Land	Improvements	Total	Taxes
\$128,865	\$307,541	\$436,406	\$5,232.24

The subject is in tax rate area 06045 which has a tax rate of \$1.13906 per \$100 of the total assessed value. Property taxes for the 2017-18 fiscal year total \$5,232.24 and include the following special assessments:

SPECIAL ASSESSMENTS	
Special Assessment	Totals
CWA - Water Availability	\$10.00
MWD - Water Standby	\$11.50
Sewer Service Charge	\$234.00
Vector Disease Control	\$3.54
Mosquito Surveillance	\$2.28
Totals	\$261.32

There are no bond assessments. The special assessments are fixed charges with an indefinite time period. The special assessments are not significant in terms of the valuation of the property and would probably not warrant consideration from potential buyers. The sewer service charge is on the tax bill rather than the water bill as in many other areas of the county. According to the tax collector, there are no delinquent taxes on the property.

ASSESSOR'S PLAT



SITE DESCRIPTION

Location

Northwest corner of Hoover Avenue and 15th Street, National City, CA.

Size and Shape

The site consists of one rectangular-shaped lot containing approximately 7,500 gross square feet according to assessor records.

Topography and Drainage

The site is level at street grade and is all usable. It is assumed drainage has been properly engineered and directed away from the improvements.

Soil and Subsoil

A geotechnical investigation was not provided for review. The appraisal is made under the assumption that there are no soil or subsoil conditions that would impair the utility of the site to the point of affecting its market value.

Utilities

All public utilities including gas, electricity, telephone, water and sewer are connected to the site.

Access

From Interstate 5, access to the site is provided by the Civic Center Drive exit east for four blocks, then south on Hoover Avenue for two blocks to the subject. Access on to the site is possible from one curb cut on Hoover Avenue and one curb cut on 15th Street.

Street Improvements

Hoover Avenue and 15th Street are public streets which have two lanes of bi-directional traffic. They are asphalt-paved roads improved with concrete curbs, gutters and sidewalks along the subject's frontage.

Environmental Hazards

The appraiser is not qualified to detect the existence of environmental or hazardous waste conditions. This appraisal is made under the assumption that there are no environmental or hazardous waste conditions on the site or nearby that would affect value. If there is a concern regarding

environmental or hazardous waste conditions, the client is encouraged to have a Phase 1 environmental report prepared.

Flood Hazard Area

The subject is not within a flood zone. It is in Zone X of FEMA panel 06037C 1911G dated May 16, 2012.

Geologic Hazard

The subject property is not located in an Alquist Priolo special studies zone.

Easements and Encroachments

A title report was not provided for review. It is assumed that there are no easements or encroachments that have a negative impact on value of the subject property.

Visibility and Exposure

The site is located on secondary streets and visibility and exposure is average for an industrial site.

Adjacent Uses

Adjacent uses to the subject include a single family residence to the north and an industrial building to the west. Across 15th Street to the south is an industrial building and across Hoover Avenue to the east are single family residences.

On-site Improvements

Existing site improvements include concrete paving, concrete walkways and landscaped areas consisting of lawn areas, shrubs and trees.

Site Utility

The site has all of the physical characteristics required by industrial users including functional dimensions, level topography, and good access to the freeway system.

Zoning

The subject property is within the Westside Specific Plan and is designated RS-4 (Single family Residential). The only allowed use in the RS-4 zone is single family residential. A density range of 8.7 to 17.5 dwelling units is permitted in the RS-4 zone. Maximum building height in the RS-4 zone is three stories or 35 feet. There are no maximum FAR or coverage regulations, but there are front and side yard setback requirements of 10 feet and a rear yard setback requirement of 15 feet.

Off-street parking of 2.0 spaces per each dwelling unit greater than 1,200 square feet and 1.7 spaces per each dwelling unit less than or equal to 1,200 square feet. No on-site parking requirements are shown for industrial use since that is not a permitted use. The existing use is considered a legal non-conforming use. If the site was currently vacant, an industrial use would not be permitted. However, existing industrial uses are “grand fathered” and are allowed to continue on the property, even with a change in ownership.

General Plan Designation

According to the National City General Plan, the subject property is in a Specific Plan Area. The general plan and zoning designation are consistent and permit similar uses. No changes are anticipated in the plan that would impact the subject.

Private Restrictions

The appraisal is made under the assumption that there are no private restrictions that would adversely impact the site to the point of affecting value.

Conformance

The subject lot is a legal conforming lot, but the improvements do conform to zoning regulations because industrial buildings are no longer allowed to be constructed on vacant sites within the RS-4 zone of the Westside Specific Plan area.

Conclusion and Summary

Dimensions of the lot provide adequate street frontage and access. All utilities are available and connected to the site and topography is level. The site has all of the necessary characteristics required for residential users.

IMPROVEMENTS DESCRIPTION

The subject improvements consist of a one-story concrete block industrial building. Public records indicate the building contains 6,400 square feet. The measured area was also 6,400 square feet. A copy of the floor plan is in the Addenda.

The building is configured for single-tenant occupancy. It has an approximate 336 square foot office area which equates to 5% of the building area and an approximate 6,064 square foot warehouse area. There is also an un-permitted mezzanine office area, but that is not included in the square footage.

Following are the construction details of the improvements based on the site visit on April 26, 2018.

Construction Details

Exterior Description

Substructure:	Concrete slab on grade
Superstructure:	Concrete block walls. The building is approximately 17 feet high and the clear height is approximately 15' to the roof beams.
Roof Structure and Cover:	Wood beam roof structure with assumed built-up roof cover over plywood sheathing. The roof was not inspected.
Windows and Doors:	No windows. The main entry door is metal and is on the north side of the building. There is one 14' x 14' grade level door on the east side of the building and one 14' x 14' grade level door on the south side of the building. There is an additional roll-up door on the west side of the building that is not functional since it opens to the building wall of the adjacent building to the west as both the subject and the building to the west are on their lot line boundaries.

Interior Description

Interior Walls:	Textured and painted drywall partitions in office area.
Ceilings and Lighting:	Painted drywall ceiling with ceiling mounted fluorescent lighting in office area. The warehouse area has open ceilings with hanging fluorescent lighting. The restrooms have drywall ceilings with ceiling and wall mount lighting.
Doors:	Interior solid core and hollow core wood doors with average quality hardware.

Floor Cover:	Ceramic tile in the office area and restrooms. The warehouse area has painted concrete flooring.
Restrooms:	There are two two-fixture restrooms in the building. Restrooms have ceramic tile flooring and drywall ceilings with ceiling and wall mount lighting.
Layout:	The building is configured for a single-tenant occupancy with an office area at the east end of the building and a warehouse area at the west end of the building.
Elevator/Stairs:	There is an un-permitted office mezzanine with two sets of stairs. The office mezzanine area is not included in the square footage since it is not permitted.

Equipment and Mechanical Systems

Plumbing System:	Copper, Steel, ABS and PVC plumbing; average quality fixtures
Electrical System:	200 amp main electrical panel
HVAC System:	Central heat and air conditioning in office area, no HVAC in the warehouse area.
Fire Protection:	The building does not have a fire sprinkler system.

Condition Survey

The appraiser is not a property inspector or engineer and is not qualified to detect deficiencies in the structural and mechanical components of the improvements. Unless otherwise stated in the report, it is assumed that the improvements have no structural or mechanical problems and that all mechanical systems including electrical, plumbing and HVAC are in proper working condition.

Items of Deferred

Maintenance:	The property is in overall average condition with no noted deferred maintenance.
Functional Utility:	The improvements were designed for use as a single-tenant industrial building. It functions well for its intended use. The building has adequate power, clear height and truck loading capabilities for a building of its size.
Actual Age:	Public records indicate the improvements were built in 1970. Therefore, the improvements are 48 years old.
Effective Age:	The improvements are in average condition overall. The effective age is estimated to be approximately 25 years.

Remaining Economic Life:	In the appraiser's opinion, the remaining economic life of the building is approximately 25 years. The economic life could be significantly extended with proper maintenance and remodeling.
Site Plan Function:	The subject site is located at the corner of a non-signalized intersection. There is not a circular pattern around the building, but there is adequate room for truck loading and unloading from the roll-up doors for small trucks. There is no yard area. Overall, the site plan functions adequately for a typical industrial use.
Coverage Ratio:	The coverage ratio is 85%.
Parking:	There are no on-site parking spaces.
Personal Property:	This appraisal does not include any personal property items.

HIGHEST AND BEST USE

Highest and best use is defined as:

"The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property-specific with respect to the user and timing of use-that is adequately supported and results in the highest present value".³

Two highest and best use analyses are performed. The first is done under the premise that the land is vacant and available to be put to its highest and best use. The second type takes into account the fact that the land is improved.

The process of identifying the highest and best use of a site under both premises involves filtering out the unlikely alternative uses which cannot meet at least one of the four tests of highest and best use. Those tests are: 1) that the use is **physically possible** upon the site, 2) that the use is **legally permissible**, 3) that the use is **financially feasible**, and 4) that the use is the **maximally productive** use among the alternatives.

Highest and Best Use as if Vacant

Physically Possible

The subject site is level, rectangular in shape and contains 7,500 gross square feet. Its size, shape and topography do not create any building design limitations. The site has adequate visibility and accessibility, and all utilities are available to the site. It does not have any physical characteristics that would inhibit development. Potential physical uses of the property would include any market-driven development.

Legally Permissible

The subject property is within the Westside Specific Plan and is designated RS-4 (Single family Residential). It appears that the only allowed uses in the RS-4 zone are single family residential. A density range of 8.7 to 17.5 dwelling units is permitted in the RS-4 zone. Maximum building height in the RS-4 zone is three stories or 35 feet. There are no maximum FAR or coverage regulations, but there are front and side yard setback requirements of 10 feet and a rear yard setback

³The Dictionary of Real Estate Appraisal, Fifth Edition, page 93

requirement of 15 feet. According to the National City General Plan, the subject property is in a Specific Plan Area. The general plan and zoning designation are consistent and permit similar uses.

In addition to zoning regulations, legal permissibility is affected by private restrictions such as CC&Rs. It is assumed that there are no private restrictions which impact the allowed uses on the site.

Financial Feasibility

There is one use that is physically possible and legally permissible for the subject property. That is single family residential. It is beyond the scope of this appraisal assignment to determine the financial feasibility of developing single family homes on the lot. Because there are industrial uses to the west and south of the subject, there may be some resistance to higher end prices in the immediate area of the subject for a new single family homes. Financial feasibility is uncertain for single family residential development at this time..

Maximally Productive & Conclusion

The immediate area where the subject is located is in transition with a recent zoning change. Existing land uses are predominately industrial and residential which are not typically compatible uses. Because of the uncertainty in the future development pattern of the immediate area, it is the appraiser's opinion that the maximally productive use is to hold the site for future development.

Highest and Best Use as Improved

Physically Possible

There are four physically possible options for the property as improved: 1) Demolish all or a portion of the existing improvements in favor of constructing a new building; 2) Remodel the interior and/or exterior of the building; 3) Construct a building addition; or 4) Maintain the building in its current configuration.

Legally Permissible

Each of the four physically possible options discussed in the preceding paragraph are legally permissible for the subject, except for a building addition. Due the fact that industrial improvements are no longer an allowed use, it is unlikely that a building addition would be legally permissible.

Financially Feasible

While it would be physically possible and legally permissible to demolish all or a portion of the buildings, the building contributes to the overall value of the property. The value of the property as

improved is greater than the value as vacant. Demolition of all or a portion of the building would not be a financially feasible alternative.

The building was built in 1970 and appears to be adequately maintained. Overall, the property is in average condition. The building has a functional design with adequate power and truck loading capabilities. Interior and/or exterior remodeling is not necessary at this time and is probably not financially feasible because the cost would exceed any increase in property value. However, modification of the interior could be financially feasible for a new tenant/owner.

Maximally Productive & Conclusion

Of the four scenarios that are physically possible and legally permissible, two are financially feasible. The first is to maintain the property in its current configuration. The second is to modify the interior tenant improvements to suit a new user. Unless a tenant or owner/user required a different tenant improvement layout, it is the appraiser's opinion that the maximally productive use is to maintain the property in its existing condition.

Most Likely Buyer

The most likely buyer for an industrial building like the subject would be an owner/user. Of the five comparable sales utilized in the following Sales Comparison Approach, four were purchased by owner/users.

INTRODUCTION TO VALUATION

The purpose of this appraisal is to estimate the “as is” market value of the subject property. Two approaches to value are utilized in the valuation analysis; the Sales Comparison Approach and the Income Approach. The Cost Approach is not included because of the lack of recent land sales.

In the Sales Comparison Approach, comparable sales are compared directly with the subject and adjustments are made to the sales for differing property characteristics. The adjusted value indicators from each of the sales are reconciled into an estimate of value for the subject property.

In the Income Approach, the market rent of the property is estimated by comparison with similar properties that have recently been leased. After deriving a gross income estimate, a market supported vacancy and collection loss allowance is deducted and operating expenses are deducted to provide an estimate of the net operating income. Finally, the net operating income is capitalized at a market derived rate for a value indication by the Income Approach.

Following the two approaches to value is a reconciliation of the value indications from each approach to value. In the reconciliation, the accuracy, appropriateness, and quantity of data is analyzed and an estimate of market value is presented.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the premise that a property's value can be estimated by comparing it with properties of similar utility that have recently sold in the market. As in the Cost Approach, the principle of substitution provides a key relationship in the Sales Comparison Approach. Applied to the Sales Comparison Approach, the principle of substitution holds that a prudent buyer would not pay more for a property than the amount for which a property having similar utility could be purchased for in the open market. When substitute properties are not available in the market, the reliability of the Sales Comparison Approach may be inferior to the Cost or Income Approaches to value.

The Sales Comparison Approach involves a five-step process. First, research is undertaken to locate recent sales of properties with similar physical characteristics to the subject. After selecting the most similar sales data from those under consideration, the details of the sales are verified with one of the participants in the transaction. The next step in the Sales Comparison Approach is the selection of the appropriate units of comparison. In this case, the price per square foot of building area is the unit of comparison used most frequently in the market. Each of the sales are compared with the subject, and adjustments are made to the data to reflect the different characteristics which may have an effect on market value. Finally, the adjusted indications of value from each of the sales are reconciled into a single indication of value.

Following is a summary of the sales data considered to be the most helpful in estimating the market value of the subject property. Data sheets with photographs of each sale are located in the Addenda.

TN
★
MN (11.5°E)

Scale 1 : 9,600

0 200 400 600 800 1000 ft
0 80 160 240 320 400 m

1" = 800.0 ft Data Zoom 14-4

SUMMARY OF COMPARABLE SALES

Sale No.	1	2	3	4	5
Address	1533 Wilson Avenue, National City	1200 Harbor Drive, National City	1840 Wilson Avenue, National City	1640 Coolidge Avenue, National City	221 West 33rd Street, National City
Thomas Bros. Map	1309 H-2	1309 G-2	8/2/03	1309 H-2	1309 J-4
Recording Date	4/6/18	3/8/17	10/14/16	5/26/16	2/26/16
Cash equivalent Sale Price	\$1,475,000	\$970,000	\$785,000	\$437,000	\$1,344,000
Rentable SF	7,500	6,485	4,664	2,700	8,400
Price per SF	\$196.67	\$149.58	\$168.31	\$161.85	\$160.00
Building Age	41 Years	50+ Years	39 Years	43 Years	46 Years
Office Percentage	35%	15%	7%	19%	15%
Clear Height	20'	18'	18'	12'	18'
Power	200 amp	200 amp	200 amp	200 amp	1,200 amp
Roll-up doors	3 Grade 0 Dock	6 Grade 0 Dock	2 Grade 0 Dock	1 Grade 0 Dock	2 Grade 0 Dock
Coverage	65%	46%	69%	48%	49%
Potential Gross Income	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
Vacancy & Collection Loss	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
Effective Gross Income	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
Expenses	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
Net Operating Income	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
NOI per SF/Year	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
G.I.M.	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
O.A.R.	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
Expenses per SF	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.
Expenses as % of EGI	N/Ap.	N/Ap.	N/Ap.	N/Ap.	N/Ap.

Units of Comparison

The most appropriate unit of comparison within the Sales Comparison Approach for industrial buildings is usually the price per square foot of building area. It is the most applicable unit of comparison within the Sales Comparison Approach.

The comparable sales are adjusted for all observable differences having an impact on value. Support for adjustments is provided in the following paragraphs.

Property Rights Conveyed

The fee simple interest in the subject property is appraised. All five of the sales involved the transfer of the fee simple interest and no adjustments for property rights conveyed are required.

Financing Terms

Sales 1, 2, 4 and 5 were purchased with market rate institutional loans with the sellers receiving all cash, while Sale 3 as an all cash sale. No adjustments for atypical financing terms are required.

Conditions of Sale

Each of the sales were arm's length market transactions with no unusual conditions of sale. No adjustments for conditions of sale are required.

Market Conditions

The sales went into escrow between December 2015 and February 2018. According to brokers interviewed during the course of the appraisal, there is not much inventory of available buildings in the subject size range and there is good demand for industrial buildings like the subject. Most reported prices have been increasing over the last few years. According to data from Costar, the average sale price per square foot for industrial buildings in the 5,000 to 25,000 square foot range in San Diego County increased 15.0% between fourth quarter 2015 and first quarter 2018. That equates to a 0.6% per month increase. The average sale price per square foot for industrial buildings in the 5,000 to 25,000 square foot range in San Diego County increased by 0.8% between third quarter 2015 and first quarter 2018 and increased 1.0% per month between first quarter 2016 and first quarter 2018. The average over the three time frames is 0.8% per month.

Also considered in the analysis is the trend in average asking lease rates which showed no change between fourth quarter 2015 and first quarter 2018. An upward market conditions adjustment of 0.75% per month will be applied to the comparable sales from the time escrow opened to the end of first quarter 2018 with most weight given to the sale price trends.

Bond Assessments - The subject is not encumbered with any bond assessments nor are any of the sales. No adjustments for bond assessments are necessary.

Age/Condition

The subject is 48 years old and in average condition overall. The office area appears to have had some remodeling and has built-in cabinets and tile flooring. Sale 1 was 41 years old at the time of sale and was reported to be in average condition with no deferred maintenance. An adjustment for age/condition is not required for Sale 1.

The actual age of Sale 2 is unknown, but is estimated at approximately 50 years. It was in below average condition at the time of sale and the buyer had intended to remodel the improvements at a cost of \$100,000. Additionally, there were some un-permitted canopies that had to be removed which the listing broker stated was estimated to cost an additional \$10,000. An upward adjustment of \$110,000 is applied to Sale 2 for age/condition. Sale 3 was 39 years old at the time of sale and in average to good condition. It does not require an adjustment for age/condition.

Sale 4 was 43 years old at the time of sale and in average condition except for some required roof repairs that were estimated at \$3,000. An upward adjustment of \$3,000 is applied to Sale 4 for deferred maintenance. Sale 5 was 46 years old and in average condition with no reported deferred maintenance. It does not require an adjustment for age/condition.

Location

The subject is located in National City. All five sales are located in National City within one mile of the subject. No adjustments are required for location.

Size

The subject building contains 6,400 gross square feet. The comparables range in size from 2,700 to 8,400 gross square feet. Sales 1, 2, 3 and 5 range in size from 4,664 to 8,400 square feet and are close enough in size to the subject not to require size adjustments. Sale 3 is smaller than the subject at 2,700 square feet and is adjusted downward by 5.0% based on pairing it with the other four sales.

Tenant Improvements

The subject has an office build-out of 3%, while the sales' office build-outs range from 7% to 35%. It has been found through paired sales analysis that in many cases buildings with very high second generation office build-outs sell for about the same on a price per square foot basis as buildings with much lower office build-outs. While there are cases in which buildings with high build-outs do sell

at a premium, in more cases than not, no premiums are supported for higher than typical build-outs. The subject's office build-out is at the low end of the market, but there is some un-permitted office area which increases to office build-out to a more typical build-out. An adjustment for office build-out will not be applied to the sales.

Building Characteristics

The subject is a concrete block building with a clear height of approximately 15 feet. It has a 200-amp power system and two grade level roll-up doors. Its clear height, power and loading doors are adequate for a building of its size and intended use. Sale 2 and 4 are metal buildings which have 12 to 18 foot clear heights, 200 amp power and one to six grade level doors. Metal buildings are generally less desirable than concrete block buildings and an upward adjustment of 5.0% is applied to Sales 2 and 4 for their metal construction. While Sale 4 has a lower clear height than the subject, it is a smaller building and it is typical for clear heights to decline as building size decreases. An additional adjustment for clear height is not required for Sale 4.

Sales 1, 3 and 5 are concrete block buildings that have clear height of 18 to 20 feet, power ratings of 200 to 1,200 amps and adequate loading doors. Sale 1 has a significantly higher clear height than the subject and is adjusted downward by 5.0%. Sale 3's clear height is slightly higher but an adjustment is not warranted for the small difference. Sale 5 has significantly more power and is adjusted downward by 5.0%.

Coverage

Coverage is an extremely important characteristic in the industrial market. Some users require large yard areas and are willing to pay a premium for properties with larger than typical yard areas. Generally buildings with lower coverage sell at a premium in the industrial market due to the desirability of the additional yard area.

The subject's coverage is 85%. The sales have coverage ratios of 46% to 69%. Each of the sales have lower coverage than the subject and require downward adjustments for coverage.

The coverage adjustment is derived by calculating the land area that the comparable would require to have the same coverage ratio as the subject. The surplus or deficient area is then multiplied by \$15.00 per square foot of land area and then divided by the sale price to arrive at the adjustment. While it is recognized that the land value of the subject is higher than \$15.00 per square foot, it must be recognized that the adjustment is for surplus land that is not a separate fee simple site that could be sold off if desired.

The following table shows the calculations for coverage adjustments.

	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Sale Price	\$1,475,000	\$970,000	\$785,000	\$437,000	\$1,344,000
Building Size	7,500	6,485	4,664	2,700	8,400
Net Lot Size	11,500	14,104	6,730	5,663	16,988
Coverage	0.65	0.46	0.69	0.48	0.49
Subject's Coverage	0.85	0.85	0.85	0.85	0.85
Land Size Required	8,824	7,629	5,487	3,176	9,882
Land Size Difference	(2,676)	(6,475)	(1,243)	(2,487)	(7,106)
Land Value	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Adjustment	(\$40,147)	(\$97,119)	(\$18,644)	(\$37,298)	(\$106,585)

Other

No other adjustments are required.

The following table shows the process of adjusting the comparable market data for differences with the subject that impact value:

IMPROVED SALE ADJUSTMENT CHART

Sale No.	Subject	1	2	3	4	5
Sale Price	N/Ap.	\$1,475,000	\$970,000	\$785,000	\$437,000	\$1,344,000
Recording Date	N/Ap.	4/6/18	3/8/17	10/14/16	5/26/16	2/26/16
Size (SF)	6,400	7,500	6,485	4,664	2,700	8,400
Price per SF	N/Ap.	\$196.67	\$149.58	\$168.31	\$161.85	\$160.00
Adjustments:						
Property Rights	Fee Simple	\$0	\$0	\$0	\$0	\$0
Adjusted Price	N/Ap.	\$1,475,000	\$970,000	\$785,000	\$437,000	\$1,344,000
Financing	Market	\$0	\$0	\$0	\$0	\$0
Cash Equiv. Price	N/Ap.	\$1,475,000	\$970,000	\$785,000	\$437,000	\$1,344,000
Conditions of Sale	None	0.00%	0.00%	0.00%	0.00%	0.00%
Cash Equiv. Price	N/Ap.	\$1,475,000	\$970,000	\$785,000	\$437,000	\$1,344,000
Market Conditions	Current	0.75%	10.50%	13.50%	18.00%	20.25%
Adjusted Price	N/Ap.	\$1,486,063	\$1,071,850	\$890,975	\$515,660	\$1,616,160
Bond Assessments	None	0.00%	0.00%	0.00%	0.00%	0.00%
Age/Condition	48/Avg	0.00%	10.26%	0.00%	0.58%	0.00%
Location	National City	0.00%	0.00%	0.00%	0.00%	0.00%
Size	6,400	0.00%	0.00%	0.00%	-5.00%	0.00%
Tenant Improv.	Average	0.00%	0.00%	0.00%	0.00%	0.00%
Building Char.	Average	-5.00%	5.00%	0.00%	5.00%	-5.00%
Coverage	85%	-2.70%	-9.06%	-2.09%	-7.23%	-6.60%
Other	None	0.00%	0.00%	0.00%	0.00%	0.00%
Net Adjustment*		-7.70%	6.20%	-2.09%	-6.65%	-11.60%
Adjusted Price	N/Ap.	\$1,371,612	\$1,138,324	\$872,331	\$481,362	\$1,428,767
Adjusted Price/SF	N/Ap.	\$182.88	\$175.53	\$187.03	\$178.28	\$170.09

*Net Adjustment for all adjustments following the market conditions adjustment

Conclusion of Value by Direct Sales Comparison

The adjusted value range on a price per square foot basis is from \$170.09 to \$187.03. Sale 1 is the most recent sale and indicates a value slightly above the middle of the range at \$182.88 per square foot. Sale 2 indicates a value close to the low end of the range at \$175.53 per square foot. It is the most dissimilar sale of the five sales and required the most adjustment, making it the least reliable indicator. Sale 3 indicates the high end of the range at \$187.03 per square foot. Sale 4 is a smaller building and indicates a value of \$178.28 per square foot. Sale 5 is the most dated transaction and indicates a value at the low end of the range at \$170.09 per square foot.

There are three current listings in National City that are also considered in the analysis. The property at 1606 Coolidge Avenue is a 2,412 square foot building on a 3,769 square foot lot that is listed for \$480,000 or \$199.00 per square foot. The listing broker reports there is an accepted full price offer on the property and it should go into escrow within the next week. It is superior to the subject in terms of its size and lower coverage. The property at 225-231 West 16th Street is a 5,275 square foot building on a 8,845 square foot lot that is listed for \$1,070,000 or \$202.84 per square foot. It is superior to the subject in terms of its lower coverage. The property at 1925 Wilson Avenue is a 4,500 square foot building on a 5,663 square foot lot that is listed for \$865,000 or \$192.22 per square foot. It is superior to the subject in terms of its lower coverage. Since the listings are not closed sales nor have they gone into escrow, they are not given as much weight as the closed sales. The list prices per square foot are generally consistent with the most recent closed sale (Sale 1).

The final consideration in the analysis is the subject listing. The subject property was listed for sale approximately one month ago according to the listing broker at a price of \$1,200,000. The listing broker reported receiving an offer of \$1,150,000, but the buyer did not have the financial strength to qualify for a loan. The City of National City has made an offer to purchase the property for \$995,000 which equates to \$155.47 per square foot. The offer price has been accepted by the seller, but the property has not yet gone into escrow. The listing broker is of the opinion that the \$995,000 price is a below market transaction and that the owner is willing to sell at a discount because he wants to quickly sell the property and knows that the City of National City can close the deal with no complications. The offer price of \$155.47 per square foot is below the range of the adjusted indicators of the comparable sales and it is the appraiser's opinion that the price of \$155.47 is below market.

Based on the preceding analysis, a value near the middle of the range indicated by the five closed sales is appropriate for the subject. A value of \$180.00 per square foot is estimated for the subject by direct sales comparison. The resulting product is:

$$6,400 \text{ SF} \times \$180.00 = \$1,152,000$$

Rounded to: \$1,150,000

Value Indicated By the Sales Comparison Approach - \$1,150,000

INCOME APPROACH

The Income Approach to value is based on the premise that the present value of a property is related to the expectation of future benefits (usually income) to be derived from ownership of the property. Purchasers of income producing properties will pay a price which reflects potential income-producing capabilities of the property.

The Income Approach involves a four-step process. First, the property's potential gross income is estimated by analysis of lease rates at the subject property and recently signed leases in the market. Then, an appropriate vacancy and collection loss factor is deducted from the potential gross income to indicate an effective gross income. The next step in the Income Approach is development of the operating expenses which are deducted from the effective gross income to arrive at the net operating income. Finally, the net operating income is divided by a market derived capitalization rate for an indication of value. This process is known as direct capitalization.

Yield capitalization, better known as discounted cash flow analysis, is another method of valuation that may be used in the Income Approach. While the direct capitalization process utilizes one year's income, yield capitalization generally is performed over a several year holding period, commonly ten years. A value by yield capitalization is estimated by summing the discounted net operating income in each year of a holding period and the present value of the reversion at the end of the holding period.

Current Income

The subject is currently vacant and there is no existing income.

POTENTIAL GROSS INCOME

A rental survey was undertaken within the National City district to help estimate potential gross income for the subject improvements. On the following page is a location map of the comparable leases which is followed by a table which summarizes the details of the most helpful lease comparables. Data sheets for each lease transaction (including photographs) are located in the Addenda.

COMPARABLE LEASES MAP



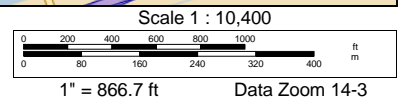
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SUMMARY OF COMPARABLE LEASES

Lease No.	1	2	3	4
Address	1640 Hoover Avenue, Suite A, National City	901 Coolidge Avenue, National City	1706 Hoover Avenue, National City	221 West 33rd Street, National City
T.B. Map Code	1309 H-2	1309 J-4	1309 H-2	1309 J-4
Lessee	National Mechanical Services	Samantha Ward & Mickey Jogleff	Charter Communications	Trans Cold Distribution
Lease Date	3/17	2/17	11/16	3/16
Lease Size (SF)	4,000	4,300	4,000	8,400
Initial Rate/SF	\$0.95	\$0.91	\$1.00	\$0.98
Expense Basis	Industrial Gross	Industrial Gross	Industrial Gross	Industrial Gross
Triple Net Exp.	\$0.00	\$0.00	\$0.00	\$0.00
Increases	Fixed 3.0% per year	Fixed 3.0% per year	Fixed 3.0% per year	Fixed 3.0% per year
Lease Term	24 months	60 months	36 months	60 months
TI Allowance	\$0.00	\$0.00	\$0.00	\$0.00
Concessions	None	One month free	None	None
Building Age	37 years	40 years	33 years	46 years
Office %	0%	10%	20%	15%
Clear Height	18'	16'	14'	18'
Power	400 amps	400 amps	200 amps	1,200 amps
Roll-up doors	2 Grade 0 Dock	1 Grade 0 Dock	3 Grade 0 Dock	2 Grade 0 Dock

Conclusion of Potential Gross Income

The following discussion relates to the analysis of the comparable leases and draws conclusions relative to their rating, either superior or inferior, to the subject property. Each major difference and justification for adjustments is explained in the following sections.

Lease Concessions

The following table summarizes the lease concessions and applicable adjustments for each comparable.

Comparable No.	Concession	Adjustment PSF
1	None	\$0.00
2	1 month free on 60 month term	(\$0.02)
3	None	\$0.00
4	None	\$0.00

Expense Basis

The subject's economic rent is estimated on an industrial gross basis. Under this arrangement, the landlord is responsible for paying all operating expenses associated with the building except for utilities. All four lease comparables were leased on an industrial gross basis and no adjustments are required for this category.

Market Conditions (Time Adjustment)

The comparable leases were signed between March 2016 and March 2017. According to market reports by Colliers International, asking lease rates for industrial space in the County have been relatively stable between first quarter 2016 and first quarter 2018. While Costar data shows wildly fluctuating asking rates over the last two years, brokers active in the market indicate lease rates for industrial space in National City have been relatively stable. An adjustment for market conditions will not be applied to the comparables.

Location

The leases are all located in the National City district within one mile of the subject. Each of the lease comparables have similar locations as compared to the subject for an industrial building. No location adjustments are necessary.

Age/Condition

The subject is 48 years old and in average condition overall. The lease comparables ranged in age from 33 to 46 years and were reported to be in average condition. No adjustments are required for age/condition.

Size

The subject building contains 6,400 square feet. The comparable leases range in size from 4,000 to 8,400 square feet and are close enough in size to the subject to not require size adjustments. No adjustments will be applied for size differences.

Lease Rate Adjustments

Adjustments may be required for leases with atypical lease rate adjustments. Typical lease rate adjustments in the market are 3.0% to 4.0% per year or annual increases of \$0.05 per square foot per month. All four of the lease comparables have typical lease rate adjustments and no adjustments are required for atypical lease rate adjustments.

Tenant Improvements

The subject has an office build-out of approximately 3%, but has some un permitted office area which increases the actual build-out. The comparables' office build-outs range from 0% to 20%. The leasing market does not generally pay a premium for second generation tenant improvements. This is supported by examples of lease transactions which show that second generation buildings with above average build-outs lease at about the same rate as buildings with lower more typical build-outs. Brokers interviewed also verified that buildings with atypically high build-outs lease at about the same as buildings with standard build-outs. No adjustments for tenant improvements are necessary for the comparables.

While Lease 1 was 100% warehouse space, the leasing broker was of the opinion that it would not have leased for any more with a 10% to 20% office build-out. Additionally, pairing that comparable with the other comparables does not support an adjustment for the lack of an office build-out.

Building Characteristics

The subject is a concrete block building with a clear height of approximately 15 feet. It has a 200-amp power system and two grade level roll-up doors. Its clear height, power and loading doors are adequate for a building of its size and intended use. Leases 1, 2 and 4 are concrete block buildings, while Lease 3 is a metal building. The comparables have clear heights ranging from 14 to 18 feet, power ratings of 200 to 1,200 amps and adequate loading doors. Lease 4 is slightly superior to the subject due to its higher clear height and higher power, but Lease 3 is inferior due to its metal construction and lower clear height. Pairing those two comparables does not support adjustments for the differing building characteristics. Therefore, no adjustments will be applied to the comparables for the differing characteristics.

Coverage

The subject has a coverage ratio of 85%. The comparables' coverage ratios range from 40% to 71% on the net usable land area. Leases 1, 3 and 4 have coverage ratios in the range of 40% to 54% and are adjusted downward by 5.0% for their lower coverage. Lease 2 has a coverage ratio of 71% and does not require an adjustment for coverage.

Other

No other adjustments are necessary.

Following is an adjustment chart which summarizes the adjustments applied to each of the comparable leases.

LEASE COMPARABLE ADJUSTMENT CHART

Lease No.	Subject	1	2	3	4
Initial Lease Rate	N/Ap.	\$0.95	\$0.91	\$1.00	\$0.98
Lease Date	Current	3/17	2/17	11/16	3/16
Size (SF)	6,400	4,000	4,300	4,000	8,400
Adjustments:					
Lease Concessions	None	\$0.00	(\$0.02)	\$0.00	\$0.00
Effective Rent/SF/Mo.	N/Ap.	\$0.95	\$0.89	\$1.00	\$0.98
Expense Basis	Ind. Gross	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Rent/ SF/Mo.	N/Ap.	\$0.95	\$0.89	\$1.00	\$0.98
Market Conditions	Current	0.00%	0.00%	0.00%	0.00%
Adjusted Rent/SF/Mo.	N/Ap.	\$0.95	\$0.89	\$1.00	\$0.98
Location	National City	\$0.00	\$0.00	\$0.00	\$0.00
Age/Condition	Average	\$0.00	\$0.00	\$0.00	\$0.00
Size	6,400	\$0.00	\$0.00	\$0.00	\$0.00
Lease Rate Adjustments	N/Ap.	\$0.00	\$0.00	\$0.00	\$0.00
Tenant Improvements	Average	\$0.00	\$0.00	\$0.00	\$0.00
Building Characteristics	Average	\$0.00	\$0.00	\$0.00	\$0.00
Coverage	85%	(\$0.05)	\$0.00	(\$0.05)	(\$0.05)
Other	Fenced yard	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Rent/SF/Mo.	N/Ap.	\$0.90	\$0.89	\$0.95	\$0.93

After adjustment, the comparable leases indicate a range of effective rental rates between \$0.89 and \$0.95 per square foot on an industrial gross basis. Leases 1 and 2 indicate rates at the low end of the range at \$0.89 to \$0.90 per square foot per month, while Leases 3 and 4 indicate rates at the high end of the range at \$0.93 to \$0.95 per square foot per month.

Based on analysis of the comparables, a rate near the middle of the range at \$0.92 per square foot per month on an industrial gross basis is estimated for the subject. The annual potential gross income for the subject building is therefore calculated as follows:

$$6,400 \text{ SF} \times \$0.92 = \$5,888.00 \text{ per mo.} \times 12 = \$70,656 \text{ per yr.}$$

VACANCY AND COLLECTION LOSS

In the District Description section of the report it was reported that the vacancy rate in the National City industrial market was about 1.1% as of the end of first quarter of 2018 according to a report by Costar. Vacancy has ranged from 1.1% to 2.3% over the last two years and has averaged 1.7%. The subject is currently vacant.

It is fairly typical for buyers of single tenant industrial buildings to utilize vacancy and collection loss factors of between 0.0% and 5.0% when the market is operating close to stabilized occupancy. The National City market is now operating at a level of occupancy typically considered to be above stabilized, and there is low potential for new inventory to be added to the market due to the built-out nature of the district. A 2.0% allowance appears appropriate to account for physical vacancy as well as collection loss over the economic life.

EXPENSES

The market rent estimated for the subject is on an industrial gross expense basis where the landlord pays for property taxes, insurance, and exterior maintenance and repairs, and may also incur costs for professional property management.

Sources for estimating expenses are: 1) historical expense data from comparable properties, and 2) published expense surveys in the market area. Since operating statements were not available to the appraiser, the expenses were estimated primarily based on historical expense data from comparable properties as well as published expense surveys.

Following is an estimate of the subject's expenses.

Real Estate Taxes - are estimated at 1.13906% of the value indicated by the Income Approach plus special assessments of \$261.32 and equate to \$9,659.

Insurance - Expense comparables are generally in the range of \$0.15 to \$0.25 per square foot for insurance. Insurance is estimated at \$0.20 per square foot per year or \$1,280.

Grounds Maintenance - Expense comparables indicate grounds maintenance expenses of \$0 to \$500 per month and vary largely based on the amount of landscaping. The subject does not have much landscaping. Grounds maintenance is estimated at \$100 per month or \$1,200 per year.

Maintenance & Repairs - Expense comparables indicate a range of \$0.25 to \$0.75 per square foot for maintenance and repairs. A figure of \$0.50 per square foot or \$3,200 per year is estimated for repairs and maintenance.

Management - A management fee of 3% of the effective gross income is applied for professional property management.

Utilities - under the industrial gross expense basis, the tenant pays for utilities directly to the service provider including gas, electric, water and sewer expenses. As a single tenant building, there are no utility expenses for the owner.

Trash Removal - under the industrial gross expense basis the tenant pays for trash removal directly to the service provider. As a single tenant building, there are no trash removal expenses for the owner.

Legal & Professional Fees - As a single tenant building leased to a single tenant, legal and professional fees are not typically incurred and are not included.

Reserves - For small single tenant industrial properties such as the subject, in most cases it has been found that buyers do not make an allowance for reserves. Reserves were not included in any of the investor sale comparables summarized later in the report and an allowance for reserves will not be made.

Miscellaneous Expenses - an allowance of 0.5% of effective gross income is made for miscellaneous expenses.

The following table summarizes the projected expenses for the subject.

	Projected
Real Estate Taxes	\$9,659
Insurance	1,280
Grounds Maintenance	1,200
Maintenance & Repairs	3,200
Management	2,077
Utilities	0
Trash Removal	0
Legal & Professional	0
Reserves	0
Miscellaneous	346
Total	\$17,763
Per Rentable Square Foot	\$2.78

Projected annual operating expenses for the subject property are \$17,763. That figure equates to \$2.78 per square foot per year or \$0.23 per square foot per month. Lease comparables in the market area have triple net expenses reported at \$0.12 to \$0.30 per square foot and vary primarily due to the tax basis of the property. Properties that have not transferred in many years generally have triple net expenses at the low end of the range while properties that recently transferred have triple net expenses at the high end of the range. Overall, the estimated expenses appear reasonable based on comparison to expense comparables.

RECONSTRUCTED OPERATING STATEMENT

Having estimated market rent, vacancy and collection loss and operating expenses, a reconstructed operating statement is made to show the effect of these estimates on the income producing capacity of the subject property. Following is the reconstructed operating statement for the subject property.

RECONSTRUCTED OPERATING STATEMENT

Potential Gross Income	\$70,656
Less Vacancy and Collection Loss (2%)	<u>(1,413)</u>
Effective Gross Income	\$69,243
Less Operating Expenses	<u>(17,763)</u>
Net Operating Income	\$51,480

CAPITALIZATION

The final step in the Income Approach is the capitalization of the projected net operating income by a market derived rate. Net operating income divided by the overall capitalization rate equals total property value.

One method of arriving at an overall capitalization rate is undertaken; the direct method of capitalization. In this method, the overall rate is derived from the sales transactions discussed in the Sales Comparison Approach. Since none of the sales indicated a capitalization rate, additional research was conducted to locate investor sales from which to extract capitalization rates. Following is a summary of the most similar investor sales. Capitalization rates extracted from the sales are based on actual income at the time of sale.

SUMMARY OF COMPARABLE INVESTOR SALES

No.	Address	Recording Date	Size (SF)	Office Pct.	Price/SF	R _o
A	1369-75 Cuyamaca St. El Cajon	4/19/18	5,800	45%	\$166.38	6.65%
B	630 Enterprise St./615 Venture St., Escondido	4/16/18	11,672	20%	\$212.22	6.90%
C	295 Trade Street, San Marcos	11/30/17	9,720	10%	\$174.38	6.14%
D	2290 Meyers Avenue Escondido	9/7/17	3,800	25%	\$150.00	6.00%
E	2381 Boswell Road Chula Vista	2/24/17	14,811	40%	\$209.30	6.58%

Sale A is located at 1369-75 North Cuyamaca Street in El Cajon. This property consists of a 5,800 square foot, single tenant, industrial condo unit. The property was approximately 41 years old at the time of sale and in average condition. It is improved with approximately 45% office space. The property sold in April 2018 for \$965,000 or \$166.38 per square foot. At the time of sale, it was

leased to a single-tenant and the indicated capitalization rate is 6.65%. The lease had approximately five years remaining on the term.

Sale B is located at 630 Enterprise Street and 615 Venture Street in Escondido. This property consists of two single tenant industrial buildings that total 11,672 square feet. The buildings were in average condition and estimated to be approximately 40 to 50 years old at the time of sale. The average office build-out was about 20%. The property sold in April 2018 for \$2,477,000 or \$212.22 per square foot. At the time of sale, both buildings were leased to a single-tenant and the indicated capitalization rate is 6.90%. There were four years remaining on the lease.

Sale C is located at 295 Trade Street in San Marcos. This property consists of a 9,720 square foot, single tenant, industrial building. The building was approximately 29 years old at the time of sale and in average condition. It is improved with approximately 10% office space. The property sold in November 2017 for \$1,695,000 or \$174.38 per square foot. At the time of sale, it was leased to a single-tenant and the indicated capitalization rate is 6.14%.

Sale D is located at 2290 Meyers Avenue in Escondido. This is a 3,800 gross square foot, single-tenant industrial building of concrete block construction. It was approximately 38 years old at the time of sale and in average condition. The property sold in September 2017 for \$570,000 or \$150.00 per square foot. The building is improved with approximately 25% office space. This was a sale/leaseback at a 6.0% capitalization rate.

Sale E is located at 2381 Boswell Road in Chula Vista. This property consists of a 14,811 square foot, single tenant, industrial building. The building was approximately 28 years old at the time of sale and in average condition. It is improved with approximately 40% office space. The property sold in February 2017 for \$3,100,000 or \$209.30 per square foot. At the time of sale, it was leased to a single-tenant and the indicated capitalization rate is 6.58%. The tenant was a local tenant and had just signed a new seven year lease.

The capitalization rates indicated by the comparable investor sales ranged from 6.00% to 6.90%. Sale A indicates a capitalization rate of 6.65% and is rated inferior to the subject since it is a condo instead of a free-standing building. Sale B indicates the high end of the range at 6.90% and is also rated inferior as one of the buildings was of metal construction. A capitalization rate lower than indicated by both Sales A and B would be expected for the subject. Sales C and D indicate the low end of the range at 6.00% to 6.14% and Sale E indicates a rate at the upper middle of the range at 6.58%. A rate within the range indicated by Sales C, D and E appears appropriate for the subject.

A final factor taken into consideration is the fact that the buyers of the investor sales did not utilize a vacancy and collection loss factor, while the NOI projected for the subject includes a 2.0% vacancy and collection loss factor. The sales' capitalization rates would be about 15 basis points lower if a 2.0% vacancy and collection loss factor was utilized. Based on analysis of the comparable sales, a capitalization rate of 6.25% is adopted for the analysis.

Conclusion of Stabilized Value by the Income Approach

The value indication by the Income Approach is derived by dividing the estimated net operating income by the overall capitalization rate selected above. The computation is:

$$\$51,480 \div 0.0625 = \$823,686$$

Rounded to: \$825,000

Value Indicated by the Income Approach - \$825,000

RECONCILIATION

Reconciliation is the final step in the appraisal. The valuation process is reviewed and the strengths and weakness of the indications of value from each approach are considered. It culminates in the final estimate of market value. The reconciliation analysis is based on three criteria: the appropriateness, accuracy and quantity of evidence.

Two approaches to value were used: the Sales Comparison Approach and the Income Approach. The two approaches yielded the following indications of the “as is” market value of the fee simple interest:

Sales Comparison Approach: \$1,150,000

Income Approach: \$825,000

Sales Comparison Approach

The Sales Comparison Approach is appropriate because this is the approach used by most buyers in the owner/user market. The most likely buyer of the property would be an owner/user. According to market participants, the price per square foot of gross building area is the most commonly used unit of comparison by owner/users.

The accuracy of the Sales Comparison Approach is believed to be fairly high as the adjustments applied in the price per square foot analysis were market supported. The quality and quantity of data used in the price per square foot analysis is good and the estimate of value is felt to be reliable.

Income Approach

The Income Approach is most appropriate for income producing property. The accuracy of the Income Approach is good. The estimated market lease rates were supported by comparables in the subject’s district and the vacancy and collection loss factor and operating expenses were felt to be well supported. Additionally, there were sufficient investor sales to support a capitalization rate.

There is a large difference between the indications from the Sales Comparison Approach and the Income Approach. Of the five comparable sales utilized in the Sales Comparison Approach, four were purchased by owner/users. Brokers active in the market confirmed a large discrepancy between owner/user sales and investor sales. For those reasons, the Income Approach is given no weight in the analysis.

Based on the preceding analysis, it is concluded that “as is” market value of the fee simple interest as of April 26, 2018, was:

ONE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS

\$1,150,000

EXPOSURE AND MARKETING TIME

Exposure time is defined as follows:

“The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal”.⁴

The best support for estimating an appropriate exposure time for the subject is to examine the marketing times of the comparable sales. Brokers reported that the comparable sales were sold in marketing times ranging from one month to seven months. The listing broker for the subject reports that it has been on the market for about one month. Most brokers reported there is good demand for industrial buildings in the subject’s market area. Based on marketing times of the comparable sales and also considering input from brokers active in the market, it is estimated that a reasonable exposure time for the subject property is four months.

Marketing time is the amount of time that it would take to achieve a sale, assuming the property were to be placed on the market immediately. Since interest in industrial buildings is about the same as when the comparable sales took place, it is reasoned that the marketing time would be the same as the exposure time. A reasonable estimate of marketing time is four months, provided the building is priced competitively.

⁴ USPAP 2018-19 Edition, The Appraisal Foundation

ADDENDA

COMPARABLE IMPROVED SALE PHOTOGRAPHS



IMPROVED SALE COMPARABLE NO. 1



IMPROVED SALE COMPARABLE NO. 2



IMPROVED SALE COMPARABLE NO. 3



IMPROVED SALE COMPARABLE NO. 4



IMPROVED SALE COMPARABLE NO. 5

COMPARABLE IMPROVED SALE NO. 1

LOCATION: 1533 Wilson Avenue, National City
THOMAS BROS. MAP PAGE: 1309 H-2
ASSESSOR'S PARCEL NO.: 559-065-04 & 05
BUYER: Pro Tank Holdings, LLC
SELLER: Hankins Trust
SALE PRICE: \$1,475,000
FINANCING: \$368,750 (25%) down; 1st TD loan of \$1,106,250 from Wells Fargo Bank.
RECORDED: April 6, 2018
DOCUMENT NO.: 18-0137015
IMPROVEMENT DESCRIPTION: A one-story concrete block industrial building which contains 7,500 gross square feet. The building was in average condition at the time of sale with no reported deferred maintenance.

Age	Office	Clear	Power	Doors
41 Years	35%	20'	200 amp	3 grade 0 dock

INTEREST TRANSFERRED: Fee Simple
LAND AREA: 11,500 SF
COVERAGE: 65%
ZONING: CL in Westside Specific Plan
PARKING: 8 spaces; 1.07 spaces per 1,000 SF
INCOME AND INDICATORS:

Potential Gross Income:	N/Ap. (Owner/user)
Vacancy & Collection Loss:	<u>N/Ap.</u>
Effective Gross Income:	N/Ap.
Operating Expenses:	<u>N/Ap.</u>
Net Operating Income:	N/Ap.
Sale Price per Square Foot:	\$196.67
Gross Income Multiplier	N/Ap.
Overall Capitalization Rate:	N/Ap.
Expenses per Square Foot:	N/Ap.
Expenses as % of EGI:	N/Ap.
SOURCE:	Marck Lewkowitz, selling broker

COMPARABLE IMPROVED SALE NO. 2

LOCATION: 1200 Harbor Drive, National City
THOMAS BROS. MAP PAGE: 1309 G-2
ASSESSOR'S PARCEL NO.: 559-010-08
BUYER: FC Holdings, LP
SELLER: Robert Patterson
SALE PRICE: \$970,000
FINANCING: \$97,000 (10%) down; 1st TD loan of \$535,000 and 2nd
RECORDED: March 8, 2017
DOCUMENT NO.: 17-0106490

IMPROVEMENT DESCRIPTION: A one-story metal industrial building which contains 6,485 gross square feet. The building was in fair to average condition at the time of sale. The buyer planned to remodel the improvements at a cost of \$110,000.

Age	Office	Clear	Power	Doors
50+ Years	15%	18'	200 amp	6 grade 0 dock

INTEREST TRANSFERRED: Fee Simple
LAND AREA: 14,104 SF
COVERAGE: 46%
ZONING: IMCZ (Industrial)
PARKING: 6 spaces; 0.93 spaces per 1,000 SF

INCOME AND INDICATORS:

Potential Gross Income:	N/Ap. (Owner/user)
Vacancy & Collection Loss:	<u>N/Ap.</u>
Effective Gross Income:	N/Ap.
Operating Expenses:	<u>N/Ap.</u>
Net Operating Income:	N/Ap.

Sale Price per Square Foot:	\$149.58
Gross Income Multiplier	N/Ap.
Overall Capitalization Rate:	N/Ap.
Expenses per Square Foot:	N/Ap.
Expenses as % of EGI:	N/Ap.

SOURCE: Chris Holder, listing broker

COMPARABLE IMPROVED SALE NO. 3

LOCATION: 1840 Wilson Avenue, National City
THOMAS BROS. MAP PAGE: 1309 H-3
ASSESSOR'S PARCEL NO.: 559-101-02
BUYER: Paul Corriere, LP
SELLER: Horn Family Trust
SALE PRICE: \$785,000
FINANCING: All cash

RECORDED: October 14, 2016

DOCUMENT NO.: 16-0552934

IMPROVEMENT DESCRIPTION: A one-story concrete block industrial building containing 4,664 gross square feet. It was in average condition at the time of sale with no deferred maintenance.

Age	Office	Clear	Power	Doors
39 Years	7%	18'	200 amp	2 grade 0 dock

INTEREST TRANSFERRED: Fee Simple

LAND AREA: 6,730 SF

COVERAGE: 69%

ZONING: CL in Westside Specific Plan

PARKING: 5 1.07 spaces per 1,000 SF

INCOME AND INDICATORS:

Potential Gross Income: N/Ap. (Owner/user)

Vacancy & Collection Loss: N/Ap.

Effective Gross Income: N/Ap.

Operating Expenses: N/Ap.

Net Operating Income: N/Ap.

Sale Price per Square Foot: \$168.31

Gross Income Multiplier N/Ap.

Overall Capitalization Rate: N/Ap.

Expenses per Square Foot: N/Ap.

Expenses as % of EGI: N/Ap.

SOURCE: Eric Wiese, listing broker

COMPARABLE IMPROVED SALE NO. 4

LOCATION: 1640 Coolidge Avenue, National City
THOMAS BROS. MAP PAGE: 1309 H-2
ASSESSOR'S PARCEL NO.: 559-083-06
BUYER: Brasseur Family Trust
SELLER: Cordov Trust
SALE PRICE: \$437,000
FINANCING: \$43,700 (10%); 1st TD loan of \$218,500 and 2nd TD loan of \$174,800 from JP Morgan Chase Bank.
RECORDED: May 26, 2016
DOCUMENT NO.: 16-0258985
IMPROVEMENT DESCRIPTION: A one-story metal industrial building containing 2,700 square feet. It was in average condition at the time of sale with the exception of approximately \$3,000 in deferred maintenance.

Age	Office	Clear	Power	Doors
43 Years	19%	12'	200 amp	1 grade 0 dock

INTEREST TRANSFERRED: Fee Simple
LAND AREA: 5,663 SF
COVERAGE: 48%
ZONING: Residential in Westside Specific Plan
PARKING: 2 0.74 spaces per 1,000 SF
INCOME AND INDICATORS:

Potential Gross Income:	N/Ap. (Owner/user)
Vacancy & Collection Loss:	<u>N/Ap.</u>
Gross Income:	N/Ap.
Operating Expenses:	<u>N/Ap.</u>
Net Operating Income:	N/Ap.
Sale Price per Square Foot:	\$161.85
Effective Gross Income Multiplier	N/Ap.
Overall Capitalization Rate:	N/Ap.
Expenses per Square Foot:	N/Ap.
Expenses as % of EGI:	N/Ap.
SOURCE:	Cody Evans, listing broker

COMPARABLE IMPROVED SALE NO. 5

LOCATION: 221 West 33rd Street, National City
THOMAS BROS. MAP PAGE: 1309 J-4
ASSESSOR'S PARCEL NO.: 562-330-40
BUYER: West 33rd Street, LLC
SELLER: West Family Trust
SALE PRICE: \$1,344,000
FINANCING: \$201,600 (15%); 1st TD loan of \$1,142,400 from Wells Fargo Bank.
RECORDED: February 26, 2016
DOCUMENT NO.: 16-0084769
IMPROVEMENT DESCRIPTION: A one-story concrete block industrial building containing 8,400 square feet. It was in average condition at the time of sale with no reported deferred maintenance.

Age	Office	Clear	Power	Doors
46 Years	15%	18'	1,200 amp	2 grade 0 dock

INTEREST TRANSFERRED: Fee Simple
LAND AREA: 16,988 SF
COVERAGE: 49%
ZONING: ML-CZ (Industrial)
PARKING: 15 1.79 spaces per 1,000 SF
INCOME AND INDICATORS:

Potential Gross Income:	N/Ap.
Vacancy & Collection Loss:	<u>N/Ap.</u>
Gross Income:	N/Ap.
Operating Expenses:	<u>N/Ap.</u>
Net Operating Income:	N/Ap.
Sale Price per Square Foot:	\$160.00
Effective Gross Income Multiplier	N/Ap.
Overall Capitalization Rate:	N/Ap.
Expenses per Square Foot:	N/Ap.
Expenses as % of EGI:	N/Ap.
SOURCE:	Nick Price, selling broker

LEASE COMPARABLE PHOTOGRAPHS



COMPARABLE LEASE NO. 1



COMPARABLE LEASE NO. 2



COMPARABLE LEASE NO. 3



COMPARABLE LEASE NO. 4

LEASE COMPARABLE NO. 1

LOCATION: 1640 Hoover Avenue, Suite A, National City
THOMAS BROS. MAP PAGE: 1309 H-2
LESSEE: National Mechanical Services
LESSOR: Alton Beauchamp
DATE SIGNED: 3/17
LEASE TERM: 24 months
BASE RENT/SF/MO. : \$0.95
INCREASES: Fixed 3.0% per year
CONCESSIONS: None
1ST YEAR EFFECTIVE RENT: \$0.94
TI ALLOWANCE (\$/SF): \$0.00
EXPENSE BASIS: Industrial Gross

Who Pays:	Lessor	Lessee
Property Taxes	(x)	()
Fire Insurance	(x)	()
Utilities	()	(x)
Repairs and maintenance		
Exterior	(x)	()
Interior	()	(x)

TRIPLE NET EXPENSES: \$0.00
SUITE SIZE (SF): 4,000
BUILDING DESCRIPTION: An 8,000 square foot, two-tenant, concrete block industrial building of average quality and condition.

Age	Office	Clear	Power	Doors
37 years	0%	18'	400 amps	2 grade 0 dock

PARKING RATIO (spaces per 1,000 SF of building area): 1.0
SOURCE: Phil Emery, leasing broker

LEASE COMPARABLE NO. 2

LOCATION: 901 Coolidge Avenue, National City
THOMAS BROS. MAP PAGE: 1309 J-4
LESSEE: Samantha Ward & Mickey Jogleff
LESSOR: Abraham & Melba Cunanan
DATE SIGNED: 2/17
LEASE TERM: 60 months
BASE RENT/SF/MO. : \$0.91
INCREASES: Fixed 3.0% per year
CONCESSIONS: One month free
1ST YEAR EFFECTIVE RENT: \$0.89
TI ALLOWANCE (\$/SF): \$0.00
EXPENSE BASIS: Industrial Gross

Who Pays:	Lessor	Lessee
Property Taxes	(x)	()
Fire Insurance	(x)	()
Utilities	()	(x)
Repairs and maintenance		
Exterior	(x)	()
Interior	()	(x)

TRIPLE NET EXPENSES: \$0.00
BUILDING SIZE (SF): 4,300
BUILDING DESCRIPTION: A 4,300 square foot, single-tenant, concrete block industrial building of average quality and condition.

Age	Office	Clear	Power	Doors
40 years	10%	16'	400 amps	1 grade 0 dock

PARKING RATIO (spaces per 1,000 SF of building area): 1.0
SOURCE: Mark Lewkowitz, leasing broker

LEASE COMPARABLE NO. 3

LOCATION: 1706 Hoover Avenue, National City
THOMAS BROS. MAP PAGE: 1309 H-2
LESSEE: Charter Communications
LESSOR: West Family Trust
DATE SIGNED: 11/16
LEASE TERM: 36 months
BASE RENT/SF/MO. : \$1.00
INCREASES: Fixed 3.0% per year
CONCESSIONS: None
1ST YEAR EFFECTIVE RENT: \$1.00
TI ALLOWANCE (\$/SF): \$0.00
EXPENSE BASIS: Industrial Gross

Who Pays:	Lessor	Lessee
Property Taxes	(x)	()
Fire Insurance	(x)	()
Utilities	()	(x)
Repairs and maintenance		
Exterior	(x)	()
Interior	()	(x)

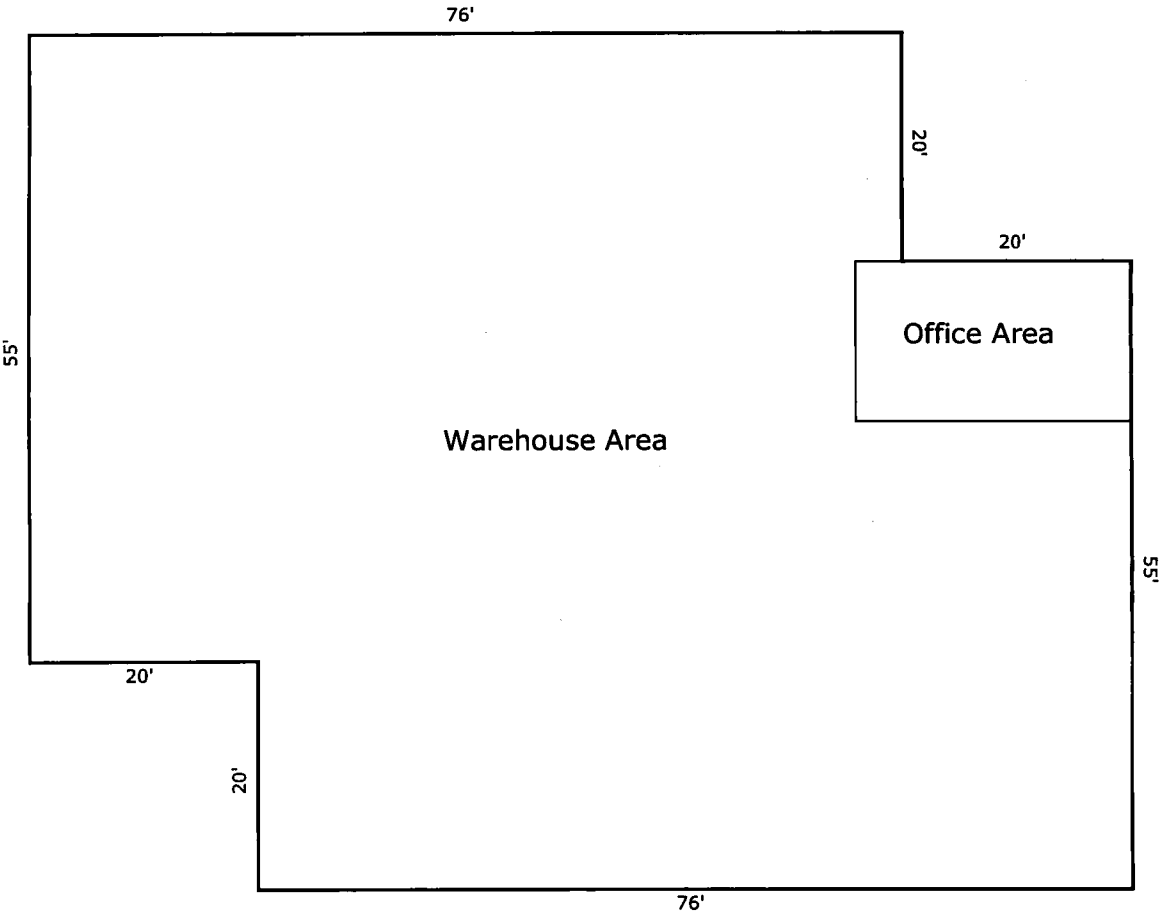
TRIPLE NET EXPENSES: \$0.00
BUILDING SIZE (SF): 4,000
BUILDING DESCRIPTION: A 4,000 square foot, single-tenant, metal industrial building of average quality and condition.

Age	Office	Clear	Power	Doors
33 years	20%	14'	200 amps	3 grade 0 dock

PARKING RATIO (spaces per 1,000 SF of building area): 1.0
SOURCE: Nick Price, leasing broker

LEASE COMPARABLE NO. 4

LOCATION:	221 West 33 rd Street, National City				
THOMAS BROS. MAP PAGE:	1309 J-4				
LESSEE:	Trans Cold Distribution				
LESSOR:	West 33 rd Street, LLC				
DATE SIGNED:	3/16				
LEASE TERM:	60 months				
BASE RENT/SF/MO. :	\$0.98				
INCREASES:	Fixed 3.0% per year				
CONCESSIONS:	None				
1ST YEAR EFFECTIVE RENT:	\$0.98				
TI ALLOWANCE (\$/SF):	\$0.00				
EXPENSE BASIS:	Industrial Gross				
Who Pays:	Lessor			Lessee	
Property Taxes	(x)			()	
Fire Insurance	(x)			()	
Utilities	()			(x)	
Repairs and maintenance					
Exterior	(x)			()	
Interior	()			(x)	
TRIPLE NET EXPENSES:	\$0.00				
BUILDING SIZE (SF):	8,400				
BUILDING DESCRIPTION:	An 8,400 square foot, single-tenant, concrete block industrial building of average quality and condition.				
	Age	Office	Clear	Power	Doors
	46 years	15%	18'	1,200 amps	2 grade 0 dock
PARKING RATIO (spaces per 1,000 SF of building area):	1.8				
SOURCE:	Evan McDonald, leasing broker				



TOTAL Sketch by a la mode, Inc.

Area Calculations Summary

Living Area	
First Floor	6400 Sq ft
Total Living Area (Rounded):	6400 Sq ft

A13

QUALIFICATIONS OF BRAD C. WOODALL, MAI

GENERAL

Principal: Brad C. Woodall, MAI
9922 Winecrest Road
San Diego, CA 92127
(858) 876-2510

PROFESSIONAL EXPERIENCE

01/95 to present: Principal Appraiser - Brad C. Woodall, MAI
08/92 to 12/94: Associate Appraiser - Alan M. Wilson & Associates
09/88 to 07/92: Associate Appraiser -David J. Yerke, Inc. & Dennis B. Cunningham

FORMAL EDUCATION AND SPECIAL TRAINING

1986-88: B.S. Degree
San Diego State University
School of Business Administration
Major - Real Estate

1984-86: California Polytechnic University at San Luis Obispo

APPRAISAL AFFILIATIONS

MAI member in the Appraisal Institute (No. 10577)
Served on Appraisal Institute's San Diego Chapter Experience Review Committee
State Certified General Appraiser (Certificate No. AG015729)

PROPERTY TYPES APPRAISED

Commercial, residential, industrial, unimproved land and special purpose properties.

SELECTED APPRAISAL INSTITUTE COURSES

Real Estate Appraisal Principals	Subdivision Valuation
Basic Valuation Procedures	Dynamics of Subdivision Appraising
Uniform Standards of Professional Practice	Applying Economic Forecasts
Capitalization Theory and Techniques (Part 1B-A)	Effective Appraisal Writing
Capitalization Theory and Techniques (Part 1B-B)	Appraising From Blueprints
Case Studies in Real Estate Valuation	Scope of Work
Report Writing and Valuation Analysis	Valuation of Unique Properties
Comprehensive Appraisal Workshop	Evaluating Commercial Construction
Highest and Best Use and Market Analysis	Business Practices and Ethics
New Technology for Real Estate Appraisers	Land Appraisal
Using HP 12C Financial Calculator	Introduction to Green Buildings
Allocating Components of Going Concern Appraisals	What Does It Cost to Operating That Building
Federal and California Statutory and Regulatory Laws	The Discounted Cash Flow Model
Residential Design & Functional Utility	Analyzing Distressed Real Estate
Real Estate Finance, Value and Investment Performance	

APPRAISAL ASSIGNMENTS HAVE BEEN PREPARED FOR THE FOLLOWING
(Some in association with other appraisers)

LENDERS

Bank of America
Bank of California
Bank of Rancho Bernardo
Bank of Salinas
California Bank & Trust
City National Bank
First Bank & Trust
First Citizens Bank
First Fidelity Thrift & Loan
First National Bank
First National Bank of North County
First Pacific National Bank
General Bank
HomeStreet Bank
Imperial Thrift & Loan Association
Indymac Bank
JP Morgan Chase Bank
Key Bank
Manufacturers Bank
Nippon Credit Bank
San Dieguito National Bank
San Diego County Credit Union
Santa Barbara Bank & Trust
Torrey Pines Bank
Union Bank
Wells Fargo Bank

GOVERNMENTAL AGENCIES

CalTrans
City of Del Mar
City of San Diego
City of Vista
County of San Diego
FDIC
Governmental Services Agency (GSA)

ATTORNEYS

Anderson, Goldberg & Waldron
Gibson, Dunn & Crutcher
Fabozzi & Miller
Lincoln, Gustafson & Cercos
Luce, Forward, Hamilton & Scripps
Procopio

OTHERS

Atlantic Richfield Corporation
GMAC Mortgage
Kaiser Permanente
McMillin Companies
Richmond American
SDG&E

The following page(s) contain the backup material for Agenda Item: Temporary Use Permit – Brews Campbell at Machete hosted by Machete Beer House on June 23, 2018 from 5:30 p.m. to 1:30 a.m. at Machete Beer House, 2325 Highland Avenue with no waiver of fees. (Neighborhood Services)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO. |

ITEM TITLE:

Temporary Use Permit – Brews Campbell at Machete hosted by Machete Beer House on June 23, 2018 from 5:30 p.m. to 1:30 a.m. at Machete Beer House, 2325 Highland Avenue with no waiver of fees. |

PREPARED BY: |Dionisia Trejo|

DEPARTMENT: Neighborhood Services Department

PHONE: |(619) 336-4255|

APPROVED BY: 

EXPLANATION:

This is a request from a Machete Beer House to conduct the Brews Campbell at Machete event on June 23, 2018 from 5:30 p.m. to 1:30 a.m. at Machete Beer House, 2325 Highland Avenue. This event is a celebration of the works of local San Diego film-maker Bruce Campbell. The event will consist of live entertainment from 8 p.m. to 11 p.m., food and craft breweries. This event is free to the general public.

Applicant will provide their own stage for this event.

NOTE: This is the first time this organization has requested a Temporary Use Permit.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO. |

APPROVED: _____ **MIS**

City fee of \$237.00 for processing the TUP through the various City departments, and \$200.00 for Fire Inspection.

Total fees: \$437.00 |

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

STAFF RECOMMENDATION:

Approve the Application for a Temporary Use Permit subject to compliance with all conditions of approval with no waiver of fees or in accordance to City Council Policy 802. |

BOARD / COMMISSION RECOMMENDATION:

|N/A|

ATTACHMENTS:

|Application for a Temporary Use Permit with recommended conditions of approval. |



City of National City ■ Neighborhood Services Department
1243 National City Boulevard ■ National City, CA 91950
(619) 336-4364 ■ fax (619) 336-4217
www.nationalcityca.gov

Special Event Application

Type of Event

- ☐ Fair/Festival ☐ Parade/March ☐ Walk or Run ☐ Concert/Performance
☐ TUP ☐ Sporting Event ☒ Other (specify) Craft Beer / Film-maker celebration

Event Name & Location

Event Title Brews Campbell at Machete

Event Location (list all sites being requested) Machete Beer House

Event Times

Set-Up Starts 5 pm Day of Week Saturday
Date 6-23-2018

Event Starts 5:30 pm Day of Week Saturday
Date 6-23-18

Event Ends 1:30 am Day of Week Sunday
Date 6-24-18

Breakdown Ends 2:00 am Day of Week Sunday
Date 6-24-18

Applicant Information

Applicant (Your name) Eddie Trejo Sponsoring Organization Machete Beer House

Event Coordinator (if different from applicant) _____

Mailing Address 2325 Highland Ave. National City, CA 91950

Day Phone 858-336-5390 After Hours Phone _____ Cell 858-336-5390 Fax _____

Public Information Phone 619-776-6986 E-mail machetebeerhouse@gmail

Applicant agrees to investigate, defend, indemnify and hold harmless the City, its officers, employees and agents from and against any and all loss, damage, liability, claims, demands, detriments, costs, charges, expense (including attorney's fees) and causes of action of any character which the City, its officers, employees and agents may incur, sustain or be subjected to on account of loss or damage to property or the loss of use thereof and for bodily injury to or death of any persons (including but not limited to the employees, subcontractors, agents and invitees of each party hereto) arising out of or in any way connected to the occupancy, enjoyment and use of any City premises under this agreement to the extent permitted by law.

Applicant understands this TUP/special event may implicate fees for City services, which will have to be paid in the City's Finance Department 48 hours prior to the event set-up. The undersigned also understands and accepts the City's refund policy for application processing and facility use and that fees and charges are adjusted annually and are subject to change.

Signature of Applicant: [Signature] Date 4/17/18

Special Event Application (continued)

Please complete the following sections with as much detail as possible since fees and requirements are based on the information you provide us.

Fees/Proceeds/Reporting

Is your organization a "Tax Exempt, nonprofit" organization? Yes ☐ No ☒

Are admission, entry, vendor or participant fees required? Yes ☐ No ☒

If YES, please explain the purpose and provide amount (s):

\$ 1000 Estimated Gross Receipts including ticket, product and sponsorship sales from this event.

\$ 800 Estimated Expenses for this event.

\$ N/A What is the projected amount of revenue that the Nonprofit Organization will receive as a result of this event?

Description of Event

☒ First time event ☐ Returning Event ☐ include site map with application

Note that this description may be published in our City Public Special Events Calendar:
A celebration of the works of local San Diego film-maker Bruce Campbell. Special beers

from craft breweries will be brewed for the event.

The parking lot will be fenced-off with ABC-approved fencing and will be used to accommodate guests, and will have a stage for the performers.

Entertainment is expected to be as follows: 7-8pm - DJ and 8-11pm - Live band.

The driveway entrance will be blocked with cones and tape.

Estimated Attendance

Anticipated # of Participants: 15 Anticipated # of Spectators: 100

Traffic Control, Security, First Aid and Accessibility

Requesting to close street(s) to vehicular traffic? Yes ☐ No ☒

List any streets requiring closure as a result of the event (provide map): NONE

Date and time of street closure: _____ Date and time of street reopening: _____

☐ Other (explain) _____

Requesting to post "no parking" notices? Yes ☐ No ☒

☐ Requested "No Parking" on city streets and/or parking lots (list streets/parking lots) (provide map):

☐ Other (explain) _____

Security and Crowd Control

Depending on the number of participants, your event may require Police services.

Please describe your procedures for both Crowd Control and Internal Security: We have a fully staffed
business operating in our location already. Our staff are experienced and equipped to handle this size group
beer and wine drinking customers.

Have you hired Professional Security to handle security arrangements for this event?

Yes ☐ No ☒ If YES, name and address of Security Organization _____

Security Director (Name): _____ Phone: _____

If using the services of a professional security firm AND the event will occur on City property, please provide a copy of its insurance certificate, evidencing liability with limits of at least \$1 Million dollars per occurrence/\$2 Million dollars aggregate, as well as an additional insured endorsement naming the City of National City, its officers, employees, and agents as additional insureds. Evidence of insurance must be provided by the vendor or its insurer to the City's Risk Manager for review and approval prior to the event.

Is this a night event? Yes ☒ No ☐ If YES, please state how the event and surrounding area will be illuminated to ensure safety of the participants and spectators: _____

Our parking lot has sufficient lighting permanently installed.

First Aid

Depending on the number of participants, your event may require specific First Aid services.

First aid station to be staffed by event staff? Yes ☐ No ☒ First aid/CPR certified? Yes ☒ No ☐

☐ First aid station to be staffed by professional company. ► Company _____

Accessibility

Please describe your Accessibility Plan for access at your event by individuals with disabilities:

Our entire property is ADA compliant.

Elements of your Event

Setting up a stage? Yes ☒ No ☐

☐ Requesting City's PA system

☐ Requesting City Stage; if yes, which size? ☐ Dimensions (13x28) ☐ Dimensions (20x28)

☒ Applicant providing own stage ► 10x20 (Dimensions)

Setting up canopies or tents?

0 # of canopies size _____

0 # of tents size _____

☒ No canopies/tents being set up

Setting up tables and chairs?

☒ Furnished by Applicant or Contractor

4 # of tables ☐ No tables being set up

12 # of chairs ☐ No chairs being set up

☐ (For City Use Only) Sponsored Events – Does not apply to co-sponsored events

_____ # of tables ☐ No tables being set up

_____ # of chairs ☐ No chairs being set up

Contractor Name N/A

Contractor Contact Information _____
Address City/State Phone Number

Setting up other equipment?

☐ Sporting Equipment (explain) _____

☐ Other (explain) _____

☒ Not setting up any equipment listed above at event

Having amplified sound and/or music? Yes ☒ No ☐

☒ PA System for announcements ☒ CD player or DJ music

☒ Live Music ▶ ☒ Small 4-5 piece live band ▶ ☐ Large 6+ piece live band

☐ Other (explain) _____

If using live music or a DJ. ▶ Contractor Name To be determined

▶ _____
Address City/State Phone Number

Using lighting equipment at your event? Yes ☐ No ☒

☐ Bringing in own lighting equipment

☐ Using professional lighting company ▶ Company Name _____

Address City/State Phone Number

Using electrical power? Yes ☒ No ☐

☒ Using on-site electricity ☒ For sound and/or lighting ☐ For food and/or refrigeration

☐ Bringing in generator(s) ☐ For sound and/or lighting ☐ For food and/or refrigeration

Vendor Information

PLEASE NOTE: You may be required to apply for a temporary health permit if food or beverages are sold or given away during your special event. Also see 'Permits and Compliance' on page 8 in the Special Event Guide. For additional information on obtaining a temporary health permit, please contact the County of San Diego Environmental Health at (619) 338-2353.

Having food and non-alcoholic beverages at your event? Yes ☒ No ☐

☐ Vendors preparing food on-site ▶ # _____ ▶ Business License # _____

If yes, please describe how food will be served and/or prepared: To be determined

If you intend to cook food in the event area please specify the method:
☐ GAS ☐ ELECTRIC ☐ CHARCOAL ☐ OTHER (Specify): _____

☐ Vendors bringing pre-packaged food ▶ # _____ ▶ Business License # _____

☐ Vendors bringing bottled, non-alcoholic beverages (i.e., bottled water, can soda, etc.) ▶ # _____

☒ Vendors selling food # TBD ▶ Business License #(s) _____

☐ Vendors selling merchandise # _____ ▶ Business License #(s) _____

- ☐ Food/beverages to be handled by organization; no outside vendors
- ☐ Vendors selling services # _____ ▶ Business License #(s) _____
- ▶ Explain services _____
- ☐ Vendors passing out information only (no business license needed) # _____
- ▶ Explain type(s) of information _____
- ☐ No selling or informational vendors at event

Having children activities? Yes ☐ **No** ☐

PLEASE NOTE: In the event inflatable jumps are provided at the event, The City of National City requires commercial liability insurance with limits of at least \$1 Million dollars per occurrence/\$2 Million dollars aggregate. In addition, the City of National City must be named as an Additional Insured pursuant to a separate endorsement, which shall be provided by the vendor or its insurer to the City's Risk Manager, along with the Certificate of Insurance, for approval prior to the event. The application should be filed out at least one week prior to the event. There is a \$25 fee to process the permit application. For questions or to obtain a copy of the "Facility Use Application", please contact the Engineering/Public Works Department at (619) 336-4580.

- ☐ Inflatable bouncer house # _____ ☐ Rock climbing wall Height _____
- ☐ Inflatable bouncer slide # _____ ☐ Arts & crafts (i.e., craft making, face painting, etc.)
- ☐ Other _____

Having fireworks or aerial display? Yes ☐ **No** ☐

- ☐ Vendor name and license # _____
- Dimensions _____ Duration _____
- Number of shells _____ Max. size _____

PLEASE NOTE: In the event fireworks or another aerial display is planned for your event, The City of National City requires commercial liability insurance with limits of at least \$2 Million dollars per occurrence/ \$4 Million dollars aggregate. In addition, the City of National City must be named as an Additional Insured pursuant to a separate endorsement, which shall be provided by the vendor or its insurer to the City's Risk Manager, along with the Certificate of Insurance, for approval prior to the event. Depending on the size and/or nature of the fireworks display, the City reserves the right to request higher liability limits. The vendor must also obtain a fireworks permit from the National City Fire Department and the cost is \$502.00

Arranging for media coverage? Yes ☐ **No** ☐

- ☐ Yes, but media will not require special set-up
- ☐ Yes, media will require special set-up. Describe _____

Event Signage

PLEASE NOTE: For City sponsored or co-sponsored events, banners publicizing the event may be placed on the existing poles on the 1800 block and 3100 block of National City Boulevard. The banners must be made to the City's specifications. Please refer to the City's Special Event Guidebook and Fee Schedule for additional information.

Are you planning to have signage at your event? Yes ☐ No ☒

☐ Yes, we will post signage # _____ Dimensions _____

☐ Yes, having inflatable signage # _____ ► (complete Inflatable Signage Request form)

☐ Yes, we will have banners # _____

☐ What will signs/banners say? _____

☐ How will signs/banners be anchored or mounted? _____

Waste Management

PLEASE NOTE: One toilet for every 250 people is required, unless the applicant can show that there are sufficient facilities in the immediate area available to the public during the event.

Are you planning to provide portable restrooms at the event? Yes ☐ No ☒

If yes, please identify the following:

► Total number of portable toilets: _____

► Total number of ADA accessible portable toilets: _____

☐ Contracting with portable toilet vendor. ► _____

► Load-in Day & Time _____ Company _____ Phone _____

► Load-out Day & Time _____

☐ Portable toilets to be serviced. ► Time _____

Set-up, Breakdown, Clean-up

Setting up the day before the event?

☐ Yes, will set up the day before the event. ► # of set-up day(s) _____

☒ No, set-up will occur on the event day

Requesting vehicle access onto the turf?

☐ Yes, requesting access onto turf for set-up and breakdown (complete attached Vehicle Access Request form)

☒ No, vehicles will load/unload from nearby street or parking lot.

NPDES-Litter Fence

- ☐ City to install litter fence
- ☐ Applicant to install litter fence
- ☒ N/A

Breaking down set-up the day after the event?

- ☐ Yes, breakdown will be the day after the event. ► # of breakdown day(s) _____
- ☒ No, breakdown will occur on the event day.

How are you handling clean-up?

- ☐ Using City crews
- ☒ Using volunteer clean-up crew during and after event.
- ☐ Using professional cleaning company during and after event.

Miscellaneous

Please list anything important about your event not already asked on this application:

**Please make a copy of this application for your records.
We do not provide copies.**



Special Events

Pre-Event Storm Water Compliance Checklist

I. Special Event Information

Name of Special Event:	Brews Campbell at Machete		
Event Address:	2325 Highland Ave	Expected # of Attendees:	100
Event Host/Coordinator:	Eddie Trejo	Phone Number:	858-336-5390

II. Storm Water Best Management Practices (BMPs) Review

	YES	NO	N/A
Will enough trash cans provided for the event? Provide number of trash bins: _____			X
Will enough recycling bins provided for the event? Provide number of recycle bins: _____			X
Will all portable toilets have secondary containment trays? (exceptions for ADA compliant portable toilets)			X
Do all storm drains have screens to temporarily protect trash and debris from entering?			X
Are spill cleanup kits readily available at designated spots?			X

* A Post-Event Storm Water Compliance Checklist will be completed by City Staff.

City of National City

PUBLIC PROPERTY USE HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

Persons requesting use of City property, facilities or personnel are required to provide a minimum of \$1,000,000 combined single limit insurance for bodily injury and property damage which includes the City, its officials, agents and employees named as additional insured and to sign the Hold Harmless Agreement. Certificate of insurance must be attached to this permit. The insurance company issuing the insurance policy must have a A.M. Best's Guide Rating of A:VII and that the insurance company is a California admitted company; if not, then the insurance policy to the issuance of the permit for the event. The Certificate Holder must reflect:

City of National City
Risk Management Department
1243 National City Boulevard
National City, CA 91950

Organization: Machate Beer House
Person in Charge of Activity: Eddie Trejo
Address: 2325 Highland Ave.
Telephone: 959-336-5390 Date(s) of Use: 6/23/2018

HOLD HARMLESS AGREEMENT

As a condition of the issuance of a temporary use permit to conduct its activities on public or private property, the undersigned hereby agree(s) to defend, indemnify and hold harmless the City of National City and the Parking Authority and its officers, employees and agents from and against any and all claims, demands, costs, losses, liability or, for any personal injury, death or property damage, or both, or any litigation and other liability, including attorneys fees and the costs of litigation, arising out of or related to the use of public property or the activity taken under the permit by the permittee or its agents, employees or contractors

Signature of Applicant: 

Official Title: Managing Member Date: 6/17/18

For Office Use Only

Certificate of Insurance Approved _____ Date _____



**CITY OF NATIONAL CITY
NEIGHBORHOOD SERVICES DEPARTMENT
APPLICATION FOR A TEMPORARY USE PERMIT
RECOMMENDATIONS AND CONDITIONS**

SPONSORING ORGANIZATION: Machete Beer House
EVENT: Brews Campbell at Machete
DATE OF EVENT: June 23, 2018

APPROVALS:

DEVELOPMENT SERVICES	YES [x]	NO []	SEE CONDITIONS [x]
RISK MANAGER	YES [x]	NO []	SEE CONDITIONS [x]
PUBLIC WORKS	YES [x]	NO []	SEE CONDITIONS []
FINANCE	YES [x]	NO []	SEE CONDITIONS [x]
FIRE	YES [x]	NO []	SEE CONDITIONS [x]
POLICE	YES [x]	NO []	SEE CONDITIONS [x]
CITY ATTORNEY	YES [x]	NO []	SEE CONDITIONS [x]
COMMUNITY SERVICES	YES [x]	NO []	SEE CONDITIONS []
NEIGHBORHOOD SERVICES	YES [x]	NO []	SEE CONDITIONS [x]

CONDITIONS OF APPROVAL:

DEVELOPMENT SERVICES (619) 336-4318

Building
Pending

Planning

All outside activities shall be in compliance with Table III of Title 12 (Noise) of the National City Municipal Code. If the band will be playing indoors, the door shall remain shut during performances. Any speakers or additional lighting placed outside shall not be directed towards any nearby residential uses.

Engineering
No comments

POLICE DEPARTMENT

The police department request that at least 4 specific persons be designated as event security. These persons should be licensed and bonded security officers who will conduct security for those entering, attending and leaving the event; as well as crowd control.

Applicant will need to process a one day ABC permit.

CITY ATTORNEY

Approved on condition that Risk Manager approves.

COMMUNITY SERVICES

No involvement

NEIGHBORHOOD SERVICES

Neighborhood Notifications – Events are required to notify residents and/or businesses of the surrounding impacted areas by the event. The notice shall include the name of the event, name and phone number of the company/organization producing the event, the dates and times of the event (including set-up and breakdown) and a detailed description of how the residents and/or businesses may be affected, such as by street closures, “No Parking” signs being posted, music at the event, etc.

RISK MANAGER (619) 336-4370

Risk Management has reviewed the above captioned application for the issuance of a Temporary Use Permit. In as much as the event will held solely on private property there will be no additional insurance requirements necessary for the issuance of the permit.

It should be noted that the Hold Harmless and Indemnification Agreement were properly executed by the applicant at the time the Special Event Application was submitted

PUBLIC WORKS (619)366-4580

No involvement

FINANCE

Pending

**INSPECTION REQUIRED
\$200.00 INSPECTION FEE FOR INSPECTIONS OCCURRING
AFTER HOURS OR ON WEEKENDS OR HOLIDAYS**

Stipulations required by the Fire Department for this event are as follows:

- 1) Access to the area to be maintained at all times, entrances and emergency roadways.
- 2) Fire Department access into and through event areas are to be maintained at all times. Fire apparatus access roads shall have an unobstructed width of not less than 20 feet and an unobstructed vertical clearance of not less than 14 feet.
- 3) Fire Hydrants shall not be blocked or obstructed.
- 4) Participants on foot are to move immediately out of the Fire Lane upon approach of emergency vehicle(s).
- 5) Vehicles within venue shall be isolated from contact with the tents, canopies or membrane structures. Vehicles shall be at least **20** feet away from tents, canopies and membrane structures.
- 6) You listed the event as not a night event, but also list it running until 1:30am, but list no additional lighting? Please correct your TUP and re-submit corrections if needed for proper review stipulations.
- 7) The Event will be required to provide a First Aid station.
- 8) Provide a minimum of 2A:10BC fire extinguishers throughout the area. Extinguisher to be mounted in a visible location between 3½'to 5' from the floor to the top of the extinguisher. Maximum travel distance from an extinguisher shall not be more than 75 feet travel distance. A sign describing location of extinguisher (*Fire Extinguisher*) shall be placed immediately above the fire extinguisher. Large canopies, tents and stages will require fire extinguishers. (Contact NCFD for more info if needed)

- 9) Every room or space (Fenced in location), shall have the occupant load of the space posted in a conspicuous place, near the main exit or exit access doorway from the room or space. Posted signs shall be of an approved legible permanent design and shall be maintained by the owner or authorized agent. The maximum occupant load of this space shall be based on room set-up and items placed inside tents or canopies. **The maximum occupancy load shall be posted by the Building or Fire Official based on room configuration.** At no time shall the owner or agent allow the posted occupant load to be exceeded. Contact the NC Building Dept. (contact NCFD for more info if needed)
- 10) Exits shall be clearly marked. Exit signs shall be installed at required exit doorways and where otherwise necessary to indicate clearly the direction of egress when the exit serves and occupant of 50 or more. Exits, aisles and passageways shall not be blocked or have their minimum clear width obstructed in any manner.
- 11) The arrangement of aisles shall be subject to approval by the building and fire code official, and shall be maintained clear at all times during occupancy.
- 12) The floor surface and grounds outside shall be kept clear of combustible waste. Such waste shall be stored in approved containers until removed from the premises.
- 13) Internal combustion power sources that may be used for "Emergency Power" shall be of adequate capacity to permit uninterrupted operation during normal operating hours.
- 14) Internal combustion power sources shall be isolated from contact with the public by either physical guards, fencing or an enclosure.
- 15) A drip pan shall be used to capture oils and fuel lost during normal operation.
- 16) Diesel fuel stored, shall be no more than 10 gallons of fuel. Diesel fuel shall be stored no closer than 20 feet from generator.
- 17) Diesel fuel shall be protected from impact of surrounding vehicles and machinery (20 feet). Container holding fuel, shall meet all state and federal guidelines for holding vessel and storage.
- 18) Approved holding vessel (container) shall be labeled (DOT) so as to describe its contents. Label shall be visible to all oncoming emergency personnel.
- 19) Diesel fuel container shall have secondary containment to meet code.
- 20) Diesel fuel container shall be bonded and grounded to meet code.

- 21) Dispensing of fuel shall meet code requirements for the correct dispensing of flammable and combustible liquids. Gravity style dispensing apparatus shall not be used.
- 22) Provide a 2A:10BC fire extinguisher at entrance to generator. Extinguisher to be mounted in a visible location between 3½'to 5' from the floor to the top of the extinguisher. Maximum travel distance from an extinguisher shall not be more than 75 feet travel distance.
- 23) Any electrical power used, is to be properly grounded and approved. Extension cords shall be used as "Temporary Wiring" only, and shall be protected so as not to create a tripping hazard to the public. Consult building official for requirements and inspection of possible temporary power/electrical.
- 24) A clear **revised** site map shall be required for this event to include requirements mentioned in this document if different from the original?
- 25) A fire safety inspection is to be conducted by the Fire Department prior to operations of the event.
- 26) Occupant load of building must be maintained at all times at the door with a counter to be available at will for inspection by City Officials.
- 27) A fire safety inspection is to be conducted by the Fire Department prior to operations of the event Required inspections taking place, after hours, holidays, and weekends will be assessed a minimum of two hundred (\$200.00) dollars. Please contact the National City Fire Department to arrange a time for inspection. Periodic inspections will be conducted by the National City Fire Department for this event
- 28) Fire Department fees can only be waived by City Council

- 29) If tents or canopies are used, tents having an area in excess of 200 square feet and or canopies in excess of 400 square feet or multiple tents and or canopies placed together equaling or greater than the above stated areas, are to be used, they shall be flame-retardant treated with an approved State Fire Marshal seal attached. A ten feet separation distance must be maintained between tents and canopies. A permit from the Fire Department must be obtained. ***Cooking shall not be permitted under tents or canopies unless the tents or canopies meet "State Fire Marshal approval for cooking.*** Certificate of State Fire Marshal flame resistancy shall be provided to the National City Fire Department if applicable. A permit for the projected canopies/tents shall be four hundred (\$400.00) dollars. Fees can only be waived by City Council.

Canopies:

0 – 400 sf -	\$0
401 – 500 sf -	\$250.00
501 – 600 sf -	\$300.00
601 – 700 sf -	\$400.00

Tents:

0 –200 sf -	\$200.00
201 – (+) sf -	\$400.00

- 30) Stage, is there a cover or walls? What are they made of? This info will need to be reviewed for possible stipulations?

Approval Contingent upon Final Field Inspection and Compliance with All Applicable Codes and Ordinances

The following page(s) contain the backup material for Agenda Item: Initiation of local historic designation and listing of properties identified in the 2010 historic properties survey. (Planning)

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 15, 2018

AGENDA ITEM NO.:

ITEM TITLE:

Initiation of local historic designation and listing of properties identified in the 2010 historic properties survey.

PREPARED BY: Raymond Pe, Principal Planner

PHONE: 619-336-4421

DEPARTMENT: Planning

APPROVED BY:

Martin Reeder, Acting Planning Director

EXPLANATION:

The Land Use Code (Section 18.12.160 Historic Properties) sets forth the City's intention to protect, preserve, and restore local historic resources by establishing a historic properties list for locally designated historic properties. Consideration for designation to the list may be initiated by resolution of the City Council or by application of the property owner. Currently, 28 properties are designated on the historic properties list. In addition to these locally designated properties, there are four additional properties that are listed on the National Register of Historic Places.

In 2010, a historic properties survey was conducted to update prior surveys completed in 1989 and 1994. Staff recommends contacting the owners of those properties with potential historic significance on the 2010 survey for their consent to be included in a City Council initiation for local designation and listing on the historic properties list. The current application fee to request a historic property designation is an amount not to exceed \$5,050 with an initial deposit of 25 percent or \$1,262.50. Property owners consenting to be included in the proposed initiation would not be subject to an application fee. Furthermore, properties that have been designated and listed are eligible for significant property tax savings under the Mills Act program (refer to background report).

If directed, staff will further refine the 2010 survey as needed in consultation with the National City Historical Society and subject matter experts. A resolution to initiate will be prepared for Council consideration for the properties of consenting owners. Because of the number of properties on the survey, the initiation process may be phased as property owner consent is obtained beginning with the highest ranking properties. After initiation, each property that is proposed to be designated and listed will be considered by the Planning Commission for recommending action and the City Council for final action. The National City Historical Society will be consulted for each proposed designation and listing pursuant to Code; in addition, other resources and subject matter experts may be used.

FINANCIAL STATEMENT:

ACCOUNT NO.

APPROVED: _____

FINANCE

APPROVED: _____

MIS

ENVIRONMENTAL REVIEW:

This action is not subject to the California Environmental Quality Act since it is not a project as defined in the California Code of Regulations Section 15378.

ORDINANCE: **INTRODUCTION** ☐ **FINAL ADOPTION** ☐

STAFF RECOMMENDATION:

Direct staff to refine the 2010 historic properties survey as needed and to contact owners of properties with potential historic significance for their consent to be included in a City Council initiation for local designation and listing on the City's historic properties list.

BOARD / COMMISSION RECOMMENDATION:

If initiated, a report and recommendation will be prepared for each property for the Planning Commission's consideration and action after conducting a public hearing. The Planning Commission's action will be a recommendation to the City Council for consideration and final action after conducting a public hearing.

ATTACHMENTS:

Background Report.

BACKGROUND

The Land Use Code, Section 18.12.160 Historic Properties, sets forth the City's intention to protect, preserve, and restore the community's historic resources. The Code does so by establishing procedures to identify properties of historical significance and to provide appropriate notice in the event that demolition, significant alteration, or conversion is proposed. Moreover, the procedures are intended to protect the educational, cultural, economic, and general welfare of the public through regulations that are consistent with sound historical preservation principles and the rights of private property owners.

Historic Properties List

The Land Use Code provides for the establishment of a list of designated historic properties that is maintained and periodically updated through a discretionary application process whereby properties proposed to be designated are considered by the Planning Commission and City Council. Consideration for designation to the list may be initiated by resolution of the City Council or by application of the property owner. The National City Historical Society is notified of any initiation or application for proposed changes to the historic properties list. Comments from the Historical Society are included in staff's report and recommendation to the Planning Commission, which holds a public hearing on the proposal and provides a recommendation to the City Council. The City Council holds a public hearing before taking final action on the proposal. Currently, 28 properties are designated on the historic properties list. In addition to these locally designated properties, there are four additional properties that are listed on the National Register of Historic Places.

Review of Ministerial Permits

The Land Use Code requires the Building Official to review each request for a building or demolition permit to determine if it involves any structure identified on the list of historic properties. If a property proposed for demolition or significant alteration or conversion is determined to be on the historic properties list, the Building Official withholds issuance of the permit for a period of 30 days and notice is provided to the Historical Society. Any comments from the Historical Society are included in a staff report and recommendation to the City Council. The City Council may approve the permit, deny the permit with findings, or withhold issuance until alternative measures have been evaluated.

Historic Properties Surveys

The City conducted historic properties surveys in 1989, 1994, and 2010. The 1989 unranked survey listed a total of 108 historic or potentially historic properties. The 1994 survey was more extensive and included 1,183 properties. Of these, 19 were found to have National Register potential; 123 were found to be locally significant; 32 were found to be potentially locally significant; and the remainder were found to have stylistic elements indicative of age.

The 2010 survey updated the 1989 and 1994 surveys by including 138 of the highest ranked properties on the 1994 survey, 89 properties listed in the 1989 survey, and 16 properties listed on the California Historical Resources Information System (CHRIS) for a total of 188 properties. The 2010 update was

undertaken to determine the presence or absence and basic integrity/condition of the properties. Of the 188 resources surveyed in 2010, 39 could not be relocated for various reasons:

- Address information was incomplete for several properties in the original survey data;
- Buildings on military installations were inaccessible; and
- Buildings not matching the age or style recorded in 1994 were assumed to be replacement structures.

At least 149 buildings were determined to be present and accessible. Most of these buildings retained their integrity, ranging from fair to excellent condition. Thirteen buildings were found to be in fair to poor condition, and only two were found to be in poor condition. Buildings found to be in good or good to fair condition included many that had been altered on their exteriors in non-structural ways, which affected the historic integrity but could also be reversed. Examples of alterations included original clapboard siding covered in stucco or original doors and windows (e.g. wood sash casement or double-hung) replaced by non-period materials (e.g. aluminum or vinyl framed windows).

In 2014, staff conducted a review of the 2010 survey to verify the integrity of the database and to develop a current GIS database file. The review found that the presence/absence findings of the 2010 survey were still valid. A 2017 cursory review of the database against GIS aerial imagery and additional mapping and data sources found that all but one building (demolished in 2015) were still present, and that four of the properties had been designated and listed since the 1994 survey. Staff continues to update data references within the database for current accuracy.

Mills Act Program

California Government Code Section 50280, et seq. (commonly known as "the Mills Act") authorizes local agencies to enter into agreements with the owners of qualified historic properties. These contracts are a historic preservation tool that allows for property tax reductions for owners who agree to preserve and/or restore their historic structures. On May 7, 2002, the City Council adopted a Mills Act program allowing the City to enter into contracts with owners of historic properties. Any historic structure on the City's adopted "List of Identified Historic Sites in National City" is eligible for a Mills Act contract. The application fee is \$100 per \$100,000 of assessed value of the historic property, not to exceed \$500. To date, the City has entered into 13 contracts between 2002 and 2010.

Properties with Mills Act contracts are re-assessed by the County Assessor based on the capitalization of income method. This method considers the income-producing (rental) potential of a property rather than its resale value, and generally results in a tax reduction of between 15% and 60% for properties assessed under Proposition 13. The State estimates that the average tax reduction is approximately 50%.

Mills Act contracts have an initial term of 10 years and are automatically extended for one year on the anniversary date so that the term of the contract is always 10 years. Either the City or the property owner may opt not to renew the contract, which would expire after the current 10 year term. The City may cancel the contract following a public hearing if the contract is breached or the property is allowed to deteriorate. If cancelled, the owner must pay a fee equal to 12.5% of the property's value.

State law requires the contracts to provide for the preservation of the property and for its restoration/rehabilitation where necessary in compliance with the California Office of Historic Preservation regulations, the U.S. Secretary of the Interior's Standards for Rehabilitation, and the State Historical Building Code. Contracts provide for required inspections and are binding on future property owners.

California Register of Historical Resources

The mission of the State Office of Historic Preservation and the State Historical Resources Commission is to preserve and enhance California's historic heritage so that cultural, educational, recreational, aesthetic, economic, social, and environmental benefits will be maintained and enriched for present and future generations. California Historical Landmarks are buildings, structures, sites, or places that have been determined to have statewide historical significance by meeting required criteria. California Historical Landmarks are listed in the California Register of Historical Resources.

National Register of Historic Places

The National Register of Historic Places is authorized under the National Historic Preservation Act of 1966. The National Register is part of a national program to coordinate and support public and private efforts to identify, evaluate, and protect historic and archeological resources. Properties listed in the Register include districts, sites, buildings, structures, and objects that are significant in American history, architecture, archeology, engineering, and culture. The National Register is administered by the National Park Service under the U.S. Department of the Interior.

Attachments:

1. Land Use Code Section 18.12.160 Historic Properties.
2. Identified Historic Sites in National City (04/17/2018).
3. Mills Act Contract Information and Application.
4. 2010 Historic Properties Survey (Partially inclusive of 1994 and 1989 surveys with revisions).

**National City Municipal Code
Title 18 Zoning**

18.12.160 HISTORIC PROPERTIES

A. Intent and Purpose

It is the intent and purpose of this Section to protect, preserve and, where damaged, restore National City's historic resources by:

1. Establishing a procedure whereby properties of historical significance are identified and appropriate notice is provided in the event demolition, significant alteration, or conversion is proposed.
2. Protecting the educational, cultural, economic, and general welfare of the public, while employing regulations that are consistent with sound historical preservation principles and the rights of private property owners.

B. Designation of Historic Properties

1. A list of historic properties shall be maintained and periodically updated.
2. Changes to the historic properties list may be initiated by resolution of the City Council or on the verified application of the owner(s) of the property to be designated or their authorized agents.
3. Any application or resolution that proposes changes to the historic properties list shall be accompanied by an evaluation of the historic character of the property and shall be reviewed by the Planning Division.
4. The Planning Division, after reviewing such application for completeness, shall notify the Historical Society of the proposed changes to the historic properties list. Any comments or recommendations provided by the Historical Society must be received within 20 days of the notice of proposed changes.
6. Once the Planning Division has completed review of the application and considered any comments or recommendations from the Historical Society, it shall prepare a report and recommendation to the Planning Commission.
7. The Planning Commission shall hold a public hearing on the proposal and shall provide a recommendation to the City Council.
8. The City Council shall hold a public hearing and may approve, modify and approve, or deny the proposed changes to the historic properties list.

C. Review of Ministerial Permits

1. The Building Official or designee shall review each request for a non-discretionary building or demolition permit to determine if it involves any structure identified on the list of historic properties. If a property proposed for demolition or significant alteration or conversion is determined to be on the historic properties list, the Building Official or designee shall withhold issuance of the permit for a period of 30 days.
2. The Building Official shall immediately notify the Planning Division and the City Council of the pending permit.
3. Within five days, the Planning Division shall provide notice to the Historical Society of the pending permit and may request comments and recommendations. Any comments or recommendations provided by the Historical Society must be received within 20 days of the notice of pending permit.
4. Once the Planning Division has reviewed the permit application and considered any comments or recommendations from the Historical Society, it shall provide a recommendation to the City Council. The recommendation may include approval of the permit, no recommendation, recommendation that the permit be denied, or a request for additional time to evaluate the permit.
5. The City Council, at its sole discretion, may approve the permit, deny the permit if a finding is made that such permit may result in an adverse effect on the public welfare, or withhold the issuance of the permit until such time as all alternative measures are thoroughly evaluated.

D. Review of Discretionary Permits

All discretionary permits involving a historic resource shall be reviewed in compliance with the California Environmental Quality Act.

Identified Historic Sites in National City

National Register (date filed)

Brick Row	7/16/73	906-940 A Avenue, 45 E. Plaza
St. Matthew's Episcopal Church	10/25/73	521 E. 8th Street
Granger Music Hall	3/18/75	1615 E. 4th Street
Santa Fe Depot (California Southern Terminus Depot)	4/18/96	900 W. 23rd Street

Locally Designated Significant Buildings

1.	907	A Avenue	Elizur Steel/Crandall/Ennis House
2.	921	A Avenue	Frank Kimball House
3.	939	A Avenue	John Proctor House
4.	538	C Avenue	Pinney House
5.	907	D Avenue	Boyd-Vurgason House
6.	1108	D Avenue	Fred Copeland House
7.	540	E Avenue	William Burgess House
8.	305	F Avenue	Mitchell-Webster House
9.	341	F Avenue	Tyson House
10.	405	G Avenue	Doctor's House
11.	437	G Avenue	
12.	1735	J Avenue	George Beermaker House
13.	1515	L Avenue	George Kimball House
14.	2824	L Avenue	McKnight House (approved by CC 5/15/07)
15.	2525	N Avenue	Oliver Noyes House
16.	636	E. 2nd Street	John Steele House
17.	926	E. 7th Street	Barber-Ferbita House
18.	3600	E. 8th Street	Wellington Estate
19.	2202	E. 10th Street	Tower House of Moses Kimball
20.	1129	E. 16th Street	Mrs. Eimar Home
21.	539	E. 20th Street	Charles Kimball House
22.	1504	E. 22nd Street	D. K. Horton House
23.	541	E. 24th Street	Olivewood Clubhouse
24.	1430	E. 24th Street	Wallace Dickinson House
25.	1433	E. 24th Street	Dickinson Boal House
26.	1941	Highland Avenue	Floyd Home
27.	425	Shell Avenue	Josselyn House
28.	940	E. 16th Street	Frederick Hertel-Hawken House



MILLS ACT CONTRACT INFORMATION

PROGRAM DESCRIPTION

Mills Act contracts are a historic preservation tool that allow a property tax reduction for property owners who agree to preserve and/or restore their historic structures. The contracts are not limited to single-family dwellings—any type of structure may qualify. Any property that is on the “List of Identified Historic Sites in National City” is eligible for a Mills Act contract.

Properties with Mills Act contracts are re-evaluated by the County Assessor based on the capitalization of income method. This method considers the income-producing (rental) potential of a property rather than its resale value, and generally results in a tax reduction of between 15% and 60% for properties assessed under Proposition 13. The State estimates that the average tax reduction is approximately 50%.

CONTRACT TERMS

Mills Act contracts have a term of 10 years. They are automatically extended for one year on the anniversary date so that the contract always has a 10-year length. Either the City or the property owner may opt not to renew the contract, which would cause it to expire after the 10-year term. The City may cancel the contract following a public hearing if the contract is breached or the property is allowed to deteriorate. If cancelled, the owner must pay a fee of 12½% of the property’s value.

State law requires the contracts to provide for the preservation of the property and for its restoration/rehabilitation where necessary, in compliance with the California Office of Historic Preservation regulations, the U.S. Secretary of the Interior’s Standards for Rehabilitation, and the State Historical Building Code. Contracts provide for necessary inspections and are binding on future property owners.

APPLICATIONS

To following items are necessary to request a Mills Act contract:

- A completed application and processing fee of \$100 per \$100,000 of assessed value of the historic property, not to exceed \$500, prorated to actual assessed value.
- A general maintenance/restoration plan for the structure (prior restoration activities may be listed)
- A description of the structure and its historic value

- Photos of the structure
- A legal description of the property
- A copy of a deed verifying ownership

Property taxes in San Diego County cover the period from July 1 to June 30, and are based on the assessed value as of January 1. In order to allow time for processing, Mills Act contract applications must be submitted by August 31 to affect the upcoming tax cycle.

PROCESSING

Mills Act contract applications will be reviewed by the Planning Department and comments from the Community Development Commission staff and National City Historic Society will be obtained. Contracts will then be presented to the City Council for review and approval.

Once the contract is in place, it will be forwarded to the County to alert them to re-evaluate the property for the upcoming tax cycle. The property owner is responsible for notifying the State of the Contract. The contact is Eugene Itogawa and his phone number is (916) 653-8936. Annual inspections will take place to verify that the property is being maintained/restored in compliance with the contract.



NATIONAL CITY, CALIFORNIA

MILLS ACT CONTRACT APPLICATION

File application with:
National City Planning Department
1243 National City Boulevard
National City, California 91950
(619) 336-4310

FOR DEPARTMENT USE ONLY

Case Number _____
Filing Fee \$ _____ Receipt No. _____
Date Received _____ By _____

Make checks payable to the City of National City

PROPERTY DESCRIPTION:

Street Address: _____

Assessors Parcel Number(s): _____

SUBMITTAL REQUIREMENTS:

The following items are required to compete the application and must be included with this form:

- A general maintenance/restoration plan for the structure (any prior restoration activities may be included)
- A description of the structure and its historic value
- Photos of the structure
- Legal description of the property
- A copy of a deed verifying property ownership
- Processing fee of \$100 per \$100,000 of assessed value of the historic property, not to exceed \$500, prorated to actual assessed value.

PROPERTY OWNER INFORMATION:

Name: _____ Phone: _____

Address: _____

Property owner's signature: _____ Date: _____

NATIONAL CITY HISTORICAL RESOURCES DATABASE BY LISTING
TIERRA ENVIRONMENTAL SERVICES, INC

ATTACHMENT 4

Building Address	New Address	Building Name	Condition* (V / P / R)	Integrity**	Photo	Notes	CNC 1994	CNC 1989	CHRIS System
211-229 A Ave.	229-233	-	P	G	x	-	1***	x	-
343 A Avenue	-	-	R	-	-	Not relocated	-	x	-
704 A Avenue	-	-	R	G-F	x	Volkswagen Parts & Acc	2	-	-
1041 A Avenue	-	-	-	G-F	-	-	2	x	-
1141 A Avenue	-	-	R	-	-	Building: offices or apartments	x	x	-
1889 ½ A Avenue	-	-	P	P	x	On stilts, not maintained	2	-	-
2715 A Avenue	-	-	P	G-F	x	Victorian, old windows	2	x	-
602 B Avenue	-	-	P	G-F	x	Same building, upstairs vs. downstairs	2	x	-
608 B Avenue								-	-
616 B Avenue	614?	-	?	-	-	Maybe 614? early Craftsman	2	-	-
625 B Avenue	-	-	P	G-F	x	Stucco over wood exterior	2.5	-	-
2705 B Avenue	-	-	P	E-G	x	Looks maintained	2	-	-
515 C Avenue	-	-	P	G	x	Altered house with older enclosed porch	2	x	-
604 C Avenue	-	-	P	G-F	x	-	x	x	-
626 C Avenue	-	-	P	F	x	-	2	-	-
817 C Avenue	-	-	V	-	-	-	2	-	-
930 C Avenue	-	-	P	F	x	Bungalow craftsman that's stuccoed & red tile roof	2.5	x	-
307 D Avenue	-	-	P	G	x	Altered new windows	2	-	-
110 D Avenue	-	-	P	G	x	Craftsman / prairie	2	x	-
435 D Avenue	-	-	P	G	x	-	2	-	-
445 D Avenue	-	-	P	G	x	-	2	-	-
528 D Avenue	-	-	P	F	x	Altered – new windows; stucco'd over	-	-	x
616 D Avenue	-	-	R	-	-	-	2	-	-
618 D Avenue	-	-	P	G	x	-	2	-	-
632 D Avenue	-	-	P	G-F	x	-	2	-	-
708 D Avenue	-	-	P	G	x	Replaced windows, stucco over wood, non-original porch	2	x	-
714 D Avenue	-	-	P	G	x	-	2	x	-
1018 D Avenue	-	-	P	E	x	Face lifted craftsman bungalow	3	x	-
1020 D Avenue	-	-	P	E-G	x	Craftsman bungalow	3	x	-
? D Avenue (3000 block?)	-	-	-	-	-	Not found	2	-	-
305 E Avenue	-	-	P	-	x	Victorian	3	x	-
320 E Avenue	-	-	P	-	x	Craftsman	2	-	-
426 E Avenue	-	-	P	G-F	x	-	2.5	-	-
604 E Avenue	-	-	P	G	x	-	2	-	-

* Condition: V = vacant lot; P = present; R = replaced. ** Integrity: E = excellent; G = good; F = fair; P = poor; *** The numerals above are codes assigned to the properties during the 1994 survey, 1 = National Register potential. 2 = Local significance. 2.5 – potential local significance or a better than average 3. 3 = inclusion in the survey due to recognized age from stylistic elements. Those properties with a 3 were only included on this list because they were also recognized on the 1989 CNC list. A handful of properties from the 1989 list with a 3 or better did not have address numbers, only street name, and they were dropped from this list as it would be impossible to identify them.

Building Address	New Address	Building Name	Condition* (V / P / R)	Integrity**	Photo	Notes	CNC 1994	CNC 1989	CHRIS System
719 E Avenue	-	-	R	-	-	Parking lot between 707 St Mary's and Zarlitos restaurant	x	x	-
832 E Avenue	-	-	P	G	x	Original	3	x	-
1816 E Avenue	-	-	P	F	x	Vinyl windows, adjoined to next house	2	-	-
1925 E Avenue	-	-	P	F-P	x	Stuccoed, not original, vinyl windows, separate garage	2.5	-	-
2030 E Avenue	-	-	?	G	x	Couldn't identify street number, assumed 2030 E Ave. Craftsman bungalow, vinyl windows	2.5	-	-
504 F Avenue	-	-	P	G	x	-	2	-	-
520 F Avenue	-	-	P	G	x	-	2	x	-
523 F Avenue	-	-	P	G	x	-	2	x	-
618 F Avenue	-	-	P	G	x	-	2	x	-
642 F Avenue	-	-	P	G	x	-	2	x	-
1519 F Avenue	1521	-	P	P	x	Decrepit, front porch falling apart	2.5	-	-
1804 F Avenue	-	-	R	-	-	Yard of neighbors on 18 th , part of Stein Family Farm	x	x	-
1808 F Avenue	-	Stein Family Farm	P	E	x	Gable Victorian	1	x	-
1904 F Avenue	-	-	R	G	x	Repainted and vinyl windows	2	x	-
2303 F Avenue	-	-	R	G-F	-	Apartment buildings	2.5	-	-
2420 F Avenue	-	-	P	G-F	x	Stuccoed with vinyl windows, roof has ornate detail	-	-	x
316 G Street	-	-	P	G-F	x	-	-	-	x
440 I Avenue	-	-	P	G	x	Multi-gable, brick porch	2.5	-	-
524 I Avenue	-	-	P	E-G	x	Vernacular farmhouse style	3	x	-
618 I Avenue	-	-	P	E-G	x	craftsman	2.5	-	-
1305 I Avenue	-	-	P	E	x	Refurbished, stucco & wood style, old windows	2	-	-
1917 I Avenue	-	-	P	G	-	Wood siding, aluminum windows, shingled roof	2.5	-	-
523 J Avenue	525	-	P	E-G	x	-	2.5	-	-
1605 J Avenue	-	-	P	E-G	x	-	2	x	-
1723 J Avenue	-	-	P	F-P	x	Victorian, gabled with decor	2	-	-
1843 J Avenue	-	-	P	G-F	x	-	2	-	-
2019 J Avenue	-	-	P	F-P	x	Structure OK, paint/landscaping awful	2.5	-	-
2504 J Avenue	-	-	P	F	x	House and garage vary in siding styles	2	-	-
2565 J Avenue	-	-	P	G	x	Windows original, yard concrete wall falling apart	2	-	-
2640 J Avenue	-	-	P	E-G	x	-	2.5	-	-
2625 J Avenue	-	-	P	G	x	Aluminum windows, restuccoed/painted	2.5	-	-
2917 J Avenue	-	-	P	F-P	x	-	2.5	x	-

* Condition: V = vacant lot; P = present; R = replaced. ** Integrity: E = excellent; G = good; F = fair; P = poor; *** The numerals above are codes assigned to the properties during the 1994 survey, 1 = National Register potential. 2 = Local significance. 2.5 – potential local significance or a better than average 3. 3 = inclusion in the survey due to recognized age from stylistic elements. Those properties with a 3 were only included on this list because they were also recognized on the 1989 CNC list. A handful of properties from the 1989 list with a 3 or better did not have address numbers, only street name, and they were dropped from this list as it would be impossible to identify them.

Building Address	New Address	Building Name	Condition* (V / P / R)	Integrity**	Photo	Notes	CNC 1994	CNC 1989	CHRIS System
2425 K Avenue	-	-	R	-	x	Completely rebuilt house with same address	2.5	-	-
2534 K Avenue	-	-	P	F-P	x	Stucco, new windows, tile roof	2.5	-	-
2640 K Avenue	-	-	P	F-P	x	Doesn't appear windows are new, shingles/slats are different	2.5	-	-
2829 K Avenue	-	-	P	E	x	Vinyl windows; shingle roof addition	2.5	-	-
2806 L Avenue	-	-	P	G-F	x	Wood slat side, separate garage	2	-	-
1908 N Avenue	-	-	P	E-G	x	-	2.5	-	-
124 E 1 st Street	-	-	P	G-F	-	-	x	x	-
141 E. 1 st Street	-	-	P	E	-	-	x	x	-
435 E 1 st Street	-	-	P	G	x	-	x	x	-
448 E 1 st Street	-	-	P	G	-	-	x	x	-
555 W 1 st Street	-	-	P	E	-	-	x	x	-
1303-1305 E 1 st Street	-	-	V	-	-	Could not find, does not appear to exist. Road ends 12003 in canyon	3	x	-
31 E 2 nd Street	-	-	P	G	x	-	2	-	-
204 E 2 nd Street	-	-	P	G	x	-	2	x	-
312 E 2 nd Street	-	-	P	F	-	-	x	x	-
420 E 2 nd Street	-	-	P	F-P	x	Altered	3	x	-
939 E 2 nd Street	-	-	P	G	-	1950-60s altered	2	-	-
1105 E 2 nd Street	-	-	P	G	x	-	2	-	-
1112 E 2 nd Street	-	-	P	G	x	-	2	-	-
1116 E 2 nd Street	-	-	P	E	x	-	2	-	-
44 E 3 rd Street	-	-	R	-	-	apartments	2	x	-
211 E 3 rd Street	-	-	-	G-F	-	Deco apartments	2	-	-
324 E 3 rd Street	-	-	P	F	-	Stucco Altered	2	-	-
340 E 3 rd Street	-	-	P	F	x	-	2	-	-
343 E 3 rd Street	-	-	P	F	x	-	2	-	-
441 E 3 rd Street	-	-	P	G	x	Deco	3	x	-
661 E 3 rd Street	-	-	P	E-G	x	Dutch Colonial	3	x	-
21 E 4 th Street	-	-	P	G-F	x	Enclosed porch of craftsman; new windows	2	x	-
110 E 4 th Street	-	-	P	G-F	x	Stuccoed over craftsman, new windows	2	-	-
141 E 4 th Street	-	-	P	F-P	x	-	2	x	-
304 E 4 th Street	-	-	P	G-F	x	-	x	x	-
317 E 4 th Street	-	-	P	F-P	x	-	3	x	-
737 E 4 th Street	-	-	P	G-F	x	National City Guest House	x	x	-
605 E 5 th Street	-	-	P	G	x	-	-	-	x

* Condition: V = vacant lot; P = present; R = replaced. ** Integrity: E = excellent; G = good; F = fair; P = poor; *** The numerals above are codes assigned to the properties during the 1994 survey, 1 = National Register potential, 2 = Local significance, 2.5 = potential local significance or a better than average 3, 3 = inclusion in the survey due to recognized age from stylistic elements. Those properties with a 3 were only included on this list because they were also recognized on the 1989 CNC list. A handful of properties from the 1989 list with a 3 or better did not have address numbers, only street name, and they were dropped from this list as it would be impossible to identify them.

Building Address	New Address	Building Name	Condition* (V / P / R)	Integrity**	Photo	Notes	CNC 1994	CNC 1989	CHRIS System
205 E 6 th Street	-	-	P	G-F	x	-	-	-	-
337 E 6 th Street	-	-	P	G	x	-	-	-	-
2622 E 6 th Street	-	-	R, V	-	-	Apartments and vacant lot, see 2900 E 8 th Street	-	-	-
441 E 7 th Street	-	-	P	F	-	Concrete wall and pillars are modern	2	x	-
575 E 8 th Street	-	-	R	-	-	St Matthews is 521, next number is church across street at 605	x	x	-
925 E 8 th Street	-	-	P	F	x	Totally altered, stucco new windows	x	x	-
1126 E 8 th Street	-	-	P	G-F	x	-	2	-	-
2701 E 8 th Street	-	-	-	G-F	x	Seventh Day Adventist	-	-	x
2923 8 th Street	-	-	V	-	-	Vacant lot and new apartments	2	-	-
2941 8 th Street	-	-	R	-	-	-	2.5	-	-
227 W 12 th Street	-	-	P	F	x	original	2	-	-
240 W 12 th Street	-	-	P	G-F	x	original	2	-	-
326 W 12 th Street	-	-	P	G-F	x	original	3	x	-
0000 corner E 16th	-	-	-	-	-	Could not relocate	x	x	-
341 E 16 th Street	-	-	-	-	-	demolished	x	x	-
939 E 16 th Street	-	-	P	G	x	Original deco	3	x	-
940 E 16 th Street	-	-	P	G	x	original	1	x	-
341 W 16 th Street	-	-	-	-	-	Could not relocate	2	x	-
2808 E 16 th Street	-	-	P	G	x	-	2	-	-
1041 E 17 th Street	-	-	P	G	x	original	2	x	-
2221 E 18 th Street	-	-	P	G-F	x	original	2	-	-
2323 E 18 th Street	-	-	P	G-F	x	original	2	-	-
2908 E 18 th Street	-	-	P	G	x	New slider windows	-	-	x
643 E 21 st Street	-	-	P	F	x	-	x	x	-
1520 E 22 nd Street	-	-	R	-	-	Could be 1504 or 1522, both are replaced	x	x	-
1521 E 22 nd Street	-	-	P	F	-	-	x	x	-
823 W 23 rd Street	-	-	-	-	-	Could not relocate probably torn down	2	x	-
1324 E 24 th Street	-	-	P	G-F	x	Windows replaced	2	-	-
1333 E 24 th Street	-	-	-	-	x	-	2	-	-
1434 E 24 th Street	-	-	P	G-F	x	Original	x	x	-
680-682 E 30 th Street	-	-	P	G-F	x	Original, apartments for single family	-	x	-
684-686 E 30 th Street	-	-	P	F	x	Integrity gone, apartments totally altered stucco former single family	2	-	-

* Condition: V = vacant lot; P = present; R = replaced. ** Integrity: E = excellent; G = good; F = fair; P = poor; *** The numerals above are codes assigned to the properties during the 1994 survey, 1 = National Register potential. 2 = Local significance. 2.5 – potential local significance or a better than average 3. 3 = inclusion in the survey due to recognized age from stylistic elements. Those properties with a 3 were only included on this list because they were also recognized on the 1989 CNC list. A handful of properties from the 1989 list with a 3 or better did not have address numbers, only street name, and they were dropped from this list as it would be impossible to identify them.

Building Address	New Address	Building Name	Condition* (V / P / R)	Integrity**	Photo	Notes	CNC 1994	CNC 1989	CHRIS System
2930 Baker Place	-	-	P	G-F	x	Stucco, new windows	-	-	x
820 Arcadia	-	-	P	G-F	x	original	2.5	-	-
2705 Chaffee Street	-	-	P	F	x	Alt. exterior to partly stucco windows, Alm sliders	-	-	x
1205 Coolidge Avenue	-	-	-	-	x	-	1	x	-
1206 Coolidge Avenue	-	1 st Christian Spiritualist Church	P	G-F	x	-	2	x	-
1218 Coolidge Avenue	-	-	P	G	x	-	3	x	-
1228 Coolidge Avenue	-	-	P	G	x	-	3	x	-
1713 Coolidge Avenue	-	-	P	F-P	x	-	2	x	-
1718 Coolidge Avenue	-	-	P	F-P	x	Altered	2	-	-
502 Division Street	-	-	P	G-F	-	-	2	-	-
424 Division Street	-	-	P	G	x	-	x	x	-
1125 Division Street	-	-	P	-	x	-	2	-	-
45 E Plaza Blvd	-	-	P	E	-	Brick row	1	x	-
215 E Plaza Blvd	-	-	P	G-F	x	Replaced windows	2.5	-	-
1240 Harding Avenue	-	-	P	G-F	x	-	2	x	-
1441 Harding Avenue	-	-	P	-	x	Heavily altered	2	x	-
1507 Harding Avenue	-	-	P	-	x	-	2	x	-
1508 Harding Avenue	-	-	P	-	x	-	2	x	-
1540 Harding Avenue	-	-	P	F	x	-	-	-	x
1607 Harding Avenue	-	-	R	-	-	Stuccoed	2	x	-

* Condition: V = vacant lot; P = present; R = replaced. ** Integrity: E = excellent; G = good; F = fair; P = poor; *** The numerals above are codes assigned to the properties during the 1994 survey, 1 = National Register potential. 2 = Local significance. 2.5 = potential local significance or a better than average 3. 3 = inclusion in the survey due to recognized age from stylistic elements. Those properties with a 3 were only included on this list because they were also recognized on the 1989 CNC list. A handful of properties from the 1989 list with a 3 or better did not have address numbers, only street name, and they were dropped from this list as it would be impossible to identify them.

Building Address	New Address	Building Name	Condition* (V / P / R)	Integrity**	Photo	Notes	CNC 1994	CNC 1989	CHRIS System
1625-1629 Harding Avenue	-	-	P	E-G	x	Apartments	1	x	-
1707 Harding Avenue	-	-	P	F	x	-	2	-	-
1816 Harding Avenue	-	St. Anthony's Church	P	E-G	-	-	On cover but not on list	-	-
1929 Harding Avenue	-	-	P	F-P	x	-	2	-	-
1932 Harding Avenue	-	-	P	F	x	-	2	-	-
705 Highland	-	-	P	-	x	-	-	-	-
1548 Highland Avenue	-	-	P	G	x	-	-	-	x
Xxx Highland Avenue	-	Child's World	-	-	-	Could not relocate	2	-	-
913 Hoover	-	-	P	G-F	x	-	2	x	-
1026 Hoover	-	-	R	F	-	Not there or changed	x	x	-
1028 Hoover	-	-	P	F	x	Altered	3	x	-
1036 Hoover	-	-	P	F	x	Altered	3	x	-
1335 Hoover	-	-	R	G	x	Apartments	3	x	-
1407 Hoover	-	-	P	G-F	x	-	3	x	-
1409 Hoover	-	-	P	G-F	x	-	3	x	-
1516 Hoover	-	-	P	G	x	-	x	x	x
2753 Lincoln Court	-	-	P	G	x	Altered, stucco, new windows	-	-	x
1518 McKinley	-	-	P	G-F	x	Stucco, new windows	-	-	-
1889 National City Blvd	-	-	P	F	x	Commercial now, former home, additional wing	1	x	-
2141 O Avenue	-	-	P	E-G	x	Deco	x	x	-
108 Plaza Blvd	-	-	-	-	-	Could not relocate could be 122	x	x	-
343 Plaza Blvd	-	-	P	F-P	x	All original, new paint, but steps are eroding	3	x	-
820 Pleasant lane	-	-	P	G	x	Stucco, new windows	2.5	-	-
2333 Prospect	-	-	P	E-G	x	original	2	x	-

* Condition: V = vacant lot; P = present; R = replaced. ** Integrity: E = excellent; G = good; F = fair; P = poor; *** The numerals above are codes assigned to the properties during the 1994 survey, 1 = National Register potential. 2 = Local significance. 2.5 – potential local significance or a better than average 3. 3 = inclusion in the survey due to recognized age from stylistic elements. Those properties with a 3 were only included on this list because they were also recognized on the 1989 CNC list. A handful of properties from the 1989 list with a 3 or better did not have address numbers, only street name, and they were dropped from this list as it would be impossible to identify them.

Building Address	New Address	Building Name	Condition* (V / P / R)	Integrity**	Photo	Notes	CNC 1994	CNC 1989	CHRIS System
Avenue									
1602 Rachael Avenue	-	-	P, R	F	-	Totally remodeled or rebuilt	-	-	x
123 Roosevelt Avenue	-	-	P	F	x	Remodeled completely	x	x	-
1115 Roosevelt Avenue	-	-	P	F	x	Boarded windows	3	x	-
1427 Wilson	-	-	P	F	x	Stucco altered	2	-	-
1836 Wilson	-	-	P	F	x	-	2	-	-
1905 Wilson	-	Kimball Schoolhouse	P	G	x	-	2	-	-
260 Woden Street	-	USN Station San Diego Defense Distribution Depot	-	-	-	No access (Buildings No 63, 64, 65, 68, 69, 70)	-	-	x
Harbor Drive (32 nd Street USN Station)	-	Dry Dock 25, Crane, building	-	-	-	No access	-	-	x
Below are houses seen in the field that needed to be cross-referenced to see if they were on the original list									
405 G Avenue	-	-	-	-	x	-	-	-	-
437 G Avenue	-	-	-	-	x	-	-	-	-

* Condition: V = vacant lot; P = present; R = replaced. ** Integrity: E = excellent; G = good; F = fair; P = poor; *** The numerals above are codes assigned to the properties during the 1994 survey, 1 = National Register potential, 2 = Local significance, 2.5 = potential local significance or a better than average 3, 3 = inclusion in the survey due to recognized age from stylistic elements. Those properties with a 3 were only included on this list because they were also recognized on the 1989 CNC list. A handful of properties from the 1989 list with a 3 or better did not have address numbers, only street name, and they were dropped from this list as it would be impossible to identify them.

The following page(s) contain the backup material for Agenda Item: Staff Report and Sample Policies on Ethics, Conduct and Decorum. (City Manager)

ITEM

Staff Report and Sample Policies on Ethics, Conduct and Decorum

BACKGROUND

At the February 20, 2018 meeting of the City Council of the City of National City, staff was directed to return with a report and sample policies on ethics, conduct and decorum from other cities. This staff report responds to the City Council's request.

DISCUSSION

It is not uncommon for city councils to adopt policies on ethics and conduct. Such policies set forth principles of conduct within an organization that guide decision making and behavior, clarify an organization's principles and values, establish standards and encourage effective decision-making. Ethics and conduct policies also:

- promote and maintain the highest standards of personal and professional conduct in the City's government
- facilitate collaboration and serve as a framework for decorum between individual members and the elected body as a whole and guide council and commission conduct during city meetings
- typically emphasize respect for those with divergent viewpoints and help assure public confidence in the integrity of local government and its effective and fair operation

As can be seen from the sample policies contained in the report, one size does not fit all. Policies vary in substance, length and content. Policies may be adopted as a standalone, i.e., a Code of Ethics or a Code of Conduct, or may be combined into one policy, i.e., a Code of Ethics and Conduct. Additionally, the word *conduct* appears to be used interchangeably and is also referred to as *decorum*, *order*, or *procedure*.

Attachments 1 and 2 provide data on a number of cities with policies. Staff chose to attach a sampling of policies due to the sheer volume of information. Sample policies attached to the staff report referenced in the charts are highlighted in yellow. Should the Council desire to proceed with creating a policy(s), staff will provide the additional data for Council's review.

NATIONAL CITY ADMINISTRATIVE AND OPERATING POLICIES & PROCEDURES

Effective January 1, 2006, state law (AB 1234) requires, among other things, that local officials that receive compensation, salary, stipends, or expense reimbursements must receive training in public service ethics laws and principles every two years. The requirement applies not only to the governing body of a local agency, but also commissions, committees, board, or other local agency bodies, whether permanent or temporary, decision-making or advisory.

Rules of conduct for meetings of the City Council facilitate orderly proceedings and comply with applicable State and City laws. The City Council has also adopted administrative and operating policies and procedures to govern City meetings and guide City officials in their conduct, discussion and decision-making process.

1. Rosenberg's Rules and Order of parliamentary procedure which addresses courtesy and decorum
2. City Council Policy #104, "Conduct of City Council Meetings"
3. National City Municipal Code, Title 16 – City Boards, Commissions and Committees

In addition to City Council Policy #104, the Council has several policies that address council meeting times, placing items on the agenda, unauthorized disclosure of information, and ex parte communications. The Council should consider consolidating into one policy.

STAFF RECOMMENDATION

Should the City Council desire to adopt a policy, there are options to consider:

- (1) Create an ad-hoc committee or working group to prepare draft policy(s) for City Council review and approval;
- (2) Hold City Council workshop(s) to discuss and draft policy(s);
- (3) Direct the City Manager to prepare draft policy(s).

Staff recommends the City Council adopt a code of ethics and conduct through option #1 or #2.

FISCAL IMPACT

There is no fiscal impact associated with this report.

ATTACHMENTS

1. Staff Report
2. Attachment 1: Sample Policies on Ethics
3. Attachment 2: Sample Policies on Conduct, Decorum, Norms, Order and Procedure

Attachment 1 – Sample Policies on Ethics

City of Barstow, California	Ethics Code
City of Belmont, California	Code of Ethics and Conduct for Elected and Appointed Officials
City of Chula Vista, California	Code of Ethics
City of Colton, California	Code of Norms and Ethics
City of Huntington Beach, California	Code of Ethics
City of Irvine, California	Policy on Ethics
City of La Mesa, California	City Council Ethics Policy
City of Long Beach, California	Ethics Guide for Long Beach City Officials & Employees
City of Los Angeles, California	Ethics Handbook for City Officials
City of Poway, California	Code of Ethics
City of Riverside, California	Code of Ethics and Conduct Guide
City of San Jose, California	Code of Ethics
City of Santa Ana, California	Code of Ethics and Conduct
City of Santa Clara, California	Code of Ethics and Values
City of San Diego, California	Code of Ethics and Ethics Training
City of Sunnyvale, California	Code of Ethics and Conduct for Elected and Appointed Officials

Note: Attached Policies are highlighted in yellow

Attachment 2 - Sample Policies on Conduct, Decorum, Norms, Order and Procedure

City of Benicia, California	Code of Conduct for City Council, Boards, Commissions and Committees
City of Berkeley, California	Rules of Procedure and Order
City of Elk Grove, California	Norms & Procedures Manual
City of Escondido, California	Rules of Order and Procedure
City of Firebaugh, California	Code of Conduct/Ethics
City of Grover Beach, California	Policies and Procedures for Conduct and Decorum at Council Meetings
City of Half Moon Bay, California	City Council Rules of Procedure and Decorum
City of Keller, Texas	City Council Procedures and Decorum Policy
City of Los Gatos, California	Town Council Code of Conduct
City of Manhattan Beach, California	Civility Policy and Rules of Decorum
City of Menifee, California	Rules of Decorum and Procedures for the Conduct of City Council Meetings
City of Mountain View, California	Code of Conduct
City of Orlando, Florida	City Council Rules of Order and Decorum
City of San Marcos, California	Commissioners Handbook: Decorum of Meetings
City of San Jose, California	Council Conduct Policy
Town of Windsor, California	City Council Rules for the Conduct of Meetings
City of Winnsboro, Texas	City Council Procedures and Decorum Policy

Note: Attached Policies are highlighted in yellow